Daily Report

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CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

INTER-EUROPEAN AFFAIRS

CSFR-Hungary-Poland Agree on SFRY Policy *[CSTK]* 1
East European Intelligence Service Chiefs Meet *[BTA]* 1

ALBANIA

Prime Minister Ahmeti Takes Oath of Office *[ATA]* 2
Unity Party Urges Creation of 'Ethnic Albania' *[Tirana Radio]* 2
Price Rises, Falling Living Standards Linked *[BASHKIMI KOMBETAR 8 Dec]* 3
Rural 'Epidemic of Destruction' Under Way *[ZERI I POPULLIT 10 Dec]* 3
Libyan Medical Aid To Arrive 19 Dec *[ATA]* 4

BULGARIA

Libya May Seek Lockerbie Trial in Bulgaria *[Sofia Radio]* 5
Bulgaria Ready To Recognize Independent Macedonia *[Sofia Radio]* 5
Gen. Petrov Views NATO Visit, Turkish Ties *[BULGARSKA ARMIYA 12 Dec]* 5
Turkey's Chief of Staff General Gures on Visit 5
Tours Graf Ignatievo Airbase *[BTA]* 5
Meets Navy Commander, Varna Mayor *[Sofia Radio]* 6
Intelligence Service To Cooperate With U.S. *[BTA]* 6
Zhelev Calls For Intelligence Services Reforms *[BTA]* 6
Zhelev Presents Presidential Election Platform *[BTA]* 6
Government Accepts Responsibility for Foreign Debt *[24 CHASA 12 Dec]* 7
SDS Criticizes Judicial Council Act Amendment *[BTA]* 7
Situation at Arsenal Company Strike 'Explosive' *[Sofia Radio]* 7
65 KNSB Organizations To Join in 8 Jan Strike *[BTA]* 8
Podkrepa Refuses To Divide Property With KNSB *[BTA]* 8
KNSB Claims Property Confiscation Act 'Illegal' *[DUMA 14 Dec]* 8
BSP's Lilov Resigns Citing Political Differences *[DUMA 16 Dec]* 9
Dimitrov, Dertliev React to Videnov Election *[BTA]* 9
BSDP, Liberal Parties Hold News Conferences *[BTA]* 9
State Control Over Medicine Prices Envisaged *[BTA]* 10
Emigre Plans Bulgarian Newspaper in Macedonia *[BTA]* 10
Emigration Data on Young People Published *[BTA]* 10

CZECHOSLOVAKIA

Federal Assembly Approves Amended Budget Rules *[CSTK]* 11
Minister Views Czech Unemployment, Shadow Economy *[EKONOM No. 49]* 11
Carnogursky Outlines Czech-Slovak Disputes *[VEREJNOST 16 Dec]* 12
Kilogram of Uranium Concentrate Reported Stolen *[MLADA FRONTA DNES 16 Dec]* 14

HUNGARY

EC Statement on SFRY Republics Welcomed *[MTI]* 15
SFRY Refugee Problem Viewed *[Budapest TV]* 15
Jeszenszky on Nature of Agreement With Germany *[Budapest Radio]* 15
Foreign Ministry Spokesman on Ties With NATO *[MTI]* 15
Kadar Predicts 'Turning Point' in Foreign Economy *[MTI]* 16

Consumption Tax, Price Subsidies Bill Approved *[MTI]* 16
Land Tax Law Enacted *[MTI]* 16
Military Industry Office Formed *[MTI]* 16
Kupa Discusses Economic, Political Issues *[NEPSZABADSAG 14 Dec]* 17
New Unemployment Statistics Published *[MAGYAR NEMZET 17 Dec]* 18
Radio-102 Banned Due to Violation of Contract *[Budapest Radio]* 18

POLAND

Olszewski Asks Sejm To Decide on Resignation *[Warsaw Radio]* 19
Sejm Refuses Resignation *[Warsaw Radio]* 19
Olszewski Thanks Deputies *[Warsaw Radio]* 19
Party Leaders View Issues *[Warsaw Radio]* 20
Democratic Left for Resignation *[PAP]* 20
Olszewski Presents New Government Idea to Walesa *[PAP]* 20
Olszewski Claims Walesa's Support *[PAP]* 21
Olszewski Discusses Issues of Forming Government *[Warsaw TV]* 21
Walesa Withdraws Draft Constitutional Law *[PAP]* 21
Foreign Ministry Supports EC Stand on SFRY *[PAP]* 21
Border Cooperation Agreement Signed With Ukraine *[PAP]* 22
Foreign Ministry Stresses Relations With East *[PAP]* 22
Continuation of Soviet Army Withdrawal Reported *[PAP]* 22
Statistical Office Releases Economic Figures *[PAP]* 22

ROMANIA

Foreign Minister Views Moldovan Reunification *[Berlin ADN]* 23
Foreign Ministry Comments on Current Issues *[ROMPRES]* 23
Kiraly Discusses Reasons for Leaving Senate *[NEPSZABADSAG 16 Dec]* 23
UDMR's Domokos Views Nationalism, Ethnic Issues *[ROMANIA LIBERA 12 Dec]* 24
Roman Says He 'Will Not Run for Presidency *[ROMPRES]* 26
Bank Director Reports 1991 Trade Deficit *[ROMPRES]* 26
'Serious Power Shortage' in Bucharest Reported *[ROMPRES]* 27

YUGOSLAVIA

International

Defense Ministry Rejects USSR Arms Supply Claim *[TANJUG]* 28

Federal

Kostic Says EC Decision 'Inflames' Crisis *[TANJUG]* 28
Presidency Picks Committee To Cooperate With UN *[TANJUG]* 28
Presidency: EC Recognition Move 'Violation' of UN *[TANJUG]* 29
FEC Debates Latest UN, EC Developments *[TANJUG]* 29
JNA Warns Countries on Illegal Export of Arms *[TANJUG]* 30
Northwest Border Not Controlled by Federal Organs *[TANJUG]* 30

Slovenia

Peterle Says Foundations Laid for State *[TANJUG]* 31

Croatia

Tudjman Comments on Talks With Carrington in Graz *[Zagreb Radio]* 31
Problems With JNA Withdrawal From Lora, Divulje *[TANJUG]* 31
Victory Sparks 'Turnabout' in Eastern Slavonia *[Zagreb Radio]* 32
Paraga Released From Detention After 28 Days *[TANJUG]* 32

Serbia

Milosevic Reaffirms Stand on Peacekeeping Force *[TANJUG]* 32
Government Not To Submit EC Recognition Demand *[Belgrade Radio]* 33
Government Drafts Declaration on People's Rights *[TANJUG]* 33
Good Serbian-Hungarian Relations Stressed *[POLITIKA 24 Nov]* 33
'New Deal' Proposed for Economic Survival *[POLITIKA 28-30 Nov]* 35

Bosnia-Hercegovina

Presidency Members Deem Recognition 'Unacceptable' *[TANJUG]* 36
SDA Deputies To Propose Request for Recognition *[Belgrade Radio]* 36
Western Slavonia Issues Statement on Emigration *[TANJUG]* 37
Reaction to Founding of Autonomous Regions Cited *[OSLOBODJENJE 20 Nov]* 37
Details on Established Croatian Autonomous Regions *[OSLOBODJENJE 20 Nov]* 38
Commission Investigating Illegal Transport of Arms *[VJESNIK 26 Nov]* 39
Republic 'Bypassed' by Economic Sanctions *[OSLOBODJENJE 8 Dec]* 40

Montenegro

Ban on Serbian Food Exports Concerns Public *[VREME 9 Dec]* 41

Macedonia

People 'Favorably Assess' Brussels Declaration *[Belgrade Radio]* 42
Split in VMRO-DPMNE Leadership Described *[VREME 9 Dec]* 43

CSFR-Hungary-Poland Agree on SFRY Policy

LD1812201291 Prague CSTK in English 1930 GMT 18 Dec 91

[Text] Prague Dec 18 (CSTK)—The foreign ministers of Czecho-Slovakia, Hungary and Poland today agreed by telephone that they will coordinate their policy on recognising Slovenian and Croatian independence, in accord with the December 16 resolutions of the European Community (EC) Council of Foreign Ministers.

The Czechoslovak Foreign Ministry said the ministers of the three Central European countries, Jiri Dienstbier, Geza Jeszenszky and Krzysztof Skubiszewski, agreed they will apply the same criteria when considering recognition of any new states in Europe.

East European Intelligence Service Chiefs Meet

AU1812140091 Sofia BTA in English 1423 GMT 18 Dec 91

[Report by BTA correspondent Boyko Borisov: "'Superspy' Meeting"]

[Text] Sofia, December 18 (BTA)—The two-day conference of present and former "superspies" from seven countries of Eastern Europe and the United States which ended here today is an unprecedented event in history (in official, at least). The forum was attended by Mr. William Colby, former CIA director, and by chiefs of the intelligence services of Bulgaria, Albania, Poland, Romania, Russia, Czechoslovakia and Hungary.

The first in its kind meeting of recent enemies and now partners is an eloquent proof of the changes in the world, of the emergence of a new world order, said Gen. Stoyan Andreev, national security adviser to the president of Bulgaria. Today's press conference was yet another example of the spirit of transparency in these traditional strongholds of top secrecy. The forum was under the patronage of President Zhelyu Zhelev. The press conference was attended by Mr. Allen Weinstein, president of the Center for Democracy in Washington, who organized the forum together with the E.L. Wiegand and Furth Foundations, and the Presidency of Bulgaria. It was also attended by top-ranking officials from the intelligence services of Poland and Russia, by Mr. Yordan Sokolov, minister of the interior, and Mr. Yordan Vasilev, chairman of the National Security Committee of the Bulgarian Parliament.

A radical reform in the intelligence services is a necessary and unavoidable aspect in their transformation from an obstacle into a guarantee of the democratic processes in the ex-socialist countries. The "invisible front" seems to disappear together with the cold war and its knights are about to hurl off the cloak and dagger. They will no longer stalk on one another but will join their efforts in the struggle against the global threats of today and tomorrow: terrorism, drug and arms trafficking and other forms of transnational organized crime, the experts pointed out in their extensive and yet general answers to the numerous questions of Bulgarian and foreign journalists.

According to General Andreev, the "superspies" exchanged views on the reforms at the intelligence agencies in a surprisingly cordial and constructive atmosphere. In some countries the intelligence agencies are practically intact while in others their staff has been reduced to a minimum—in Czechoslovakia, for instance, there are only 50 people on the payroll of its intelligence service. Bulgaria is in a midway position, trying to use the professionalism of those secret agents who are loyal to the country and the democratic processes to the interest of the country's national security. It became clear that the intelligence agencies do not fear the legislature, on the contrary, they insist on providing their activity with a legal framework and on developing mechanisms of parliamentary, governmental and public control over their present and future intelligence officers.

It is stupid to engage in espionage when it is unnecessary, CIA's former No. 1 William Colby told BTA's reporter who asked him if the intelligence agencies were not trying to take over as many police functions as they are in position to, thus neutralizing the unpleasant consequences of the crisis pure espionage practiced at the time of the cold war is heading for. Mr. Colby explained that modern espionage is involved in collecting and analysing a heap of information only part of which is classified. According to the authoritative opinion expressed by the former CIA chief, the global nature of organized crime requires to make its combatting a top priority of the intelligence agencies.

The meeting which ended in Sofia today will be followed by a broader and more representative forum of intelligence experts from Eastern Europe, the United States and other countries which will be held in Sofia in March 1992, Mr. Weinstein announced. No doubt our colleagues will have something to say to each other and the journalists—to learn, if out of an old habit the forum is not marked "top secret." But it will be an open one, as the president of the Center for Democracy in Washington said.

Prime Minister Ahmeti Takes Oath of Office

AU1812182691 Tirana ATA in English 1309 GMT 18 Dec 91

[Text] Tirana, December 18 (ATA)—On December 18, after receiving the vote of confidence at the People's Assembly and before assuming the functions, Vilson Ahmeti, chairman of the Council of Ministers and the ministers took the oath before the president of the Republic, Ramiz Alia, at his seat.

President Ramiz Alia said: "I want to say some words on this occasion. First of all, I wish you all, the prime minister and you members of the government, to successfully cope with the great task you have undertaken.

You shoulder the burden of running the country at a difficult time, at a time where there is a great economic shortage, when public order and tranquillity have been shaken, when we have launched the first step of the reform. But in my opinion, it is in your honour to display your courage to help the country out in the difficult situations, when facing such difficulties. Someone baptized this government a technical one, some may call it working government, there was even some who called it a government of the president or temporary one. Perhaps all this is done to neglect the role of the government. But this is wrong. This is a government of the Republic just as any other government, which as I said, shoulders a heavy burden at a difficult moment.

You received the vote of confidence of the People's Assembly and I am convinced and on this occasion I call on all political forces, trade unions, our entire people, to fully support you, because this is in the interest of our entire country, our homeland and not to the interest of a single party or a special group of people.

The current tasks facing you at home and on the international field are very significant. It is imperative the people's nutrition, the public order. It is significant the preparation of free and democratic elections. But we must continue and even speed up the reform, the distribution of land, privatization, etc. It would be a crime to halt these processes.

Of special importance in these moments is also the foreign policy. Cooperation with the world, our economic and political relations should be extended. The open policy our country has pursued and is pursuing should continue. But we must be conscious also of the dangers existing at present. Our country is passing difficulties which are known. There may be different circles thinking that it is high time to seek and advantage, the more so to dictate in our country according to their interests. This has not and should never happen. Nobody should have the slightest illusion that the Albanians put nothing above the freedom and independence of the homeland.

Actually many equilibriums in the world and the Balkans, especially with the events in Yugoslavia have been upset. Hence, opportunities for adventures are on the increase. You saw or listened to the plan of the Serb militarymen. Consequently not only the interests of our Albanian brothers in Yugoslavia but also those of our republic are threatened. New plans of truncation are elaborated in various reactionary circles. Neither our people, or our armed forces nor our politicians should underestimate these situations. Once more I would like to wish you successes in your noble work. Today, each one should make an honest, insistent and qualified work. I am fully convinced that you will carry out the tasks because you are honest, good-willing, learned and cultured.

Long live the Republic. Long live our people.

Then Prime Minister Vilson Ahmeti read out the formulae of oath:

"I swear I will accurately apply the Constitution and the laws and will carry out with a high sense of responsibility the important duty I am charged with, that of the member of the Council of Ministers. We swear."

After the oath, the members of government signed the formula of oath.

Unity Party Urges Creation of 'Ethnic Albania'

AU1812195491 Tirana Radio Tirana Network in Albanian 1900 GMT 18 Dec 91

[Text] The National Unity Party held a news conference in the Palace of Congresses' Press Center at 1000 GMT this morning. The party's spokesman Astrit Nuri opened the news conference.

Party Chairman Idajet Beqiri then informed those present about the party's stand on the country's present problems. He said that this party is striving not to create Greater Albania but a genuine, ethnic Albania. Regarding the country's difficult situation, he expressed the view that only the Albanians will extract Albania from this situation. He stressed that the National Unity Party is a party of the center and defends democratic and national viewpoints. He repeated the party's stand on the rights of the population of Kosovo and other Albanians living on their own territories in Yugoslavia and on the return of the Cams who were forcibly evicted from their lands.

Answering journalists' questions, Mr. Idajet Beqiri stressed the need for cooperation among all political forces in order to solve the country's major problems. Narrow party interests, he said, have become a pretext for the erection of walls of division between the different political forces. These have a damaging effect on the nation's unity.

Regarding the All-National Assembly, he said that it must not be conceived as an isolated event lasting a few days, but a stable forum that will help to unify the nation and assist state bodies in solving the problems distressing the country. As for the date of 20 January 1992 that has been announced for this assembly, he said that

the new conditions created by the change of government and the start of the country's electoral campaign make it impossible to hold the assembly on this date.

Price Rises, Falling Living Standards Linked

AU1812210191 Tirana BASHKIMI KOMBETAR in Albanian 8 Dec 91 p 1

[Klement Vido article: "Hungry Democracy"]

[Text] We are very close to the first anniversary of the establishment of pluralism. It has been a year of efforts and struggle for genuine democracy. Of course there are obstacles and difficulties. Europe did not become what it is today overnight or by a stroke of the pen. Albanian democracy will also have to brave many storms. However, it is not at all fair that people should speculate at democracy's expense, not setting it on the right "rails" that lead to its destination. What are we talking about? The freeing of prices at a time of severe market shortages of staple foodstuffs has only on paper left unaffected the items in the "basket" [of basic foodstuffs whose prices are still controlled], because these items are not on the market. The public is worried by the trebling or quadrupling of the prices of daily and indispensable products at a time when wages have been increased by only 50 percent. With an average monthly wage of 800-1,000 leks, an ordinary worker cannot buy macaroni at 35 leks per kilogram, eggs at 3.50 leks each, and cheese at 50-60 leks, potatoes at 10 leks, and leeks at seven leks per kilogram, etc. He knows he must clothe himself and his children and buy household goods. The government promised that the freeing of prices would be accompanied by a 30-percent increase of food supplies to the market, that a good proportion of enterprises would resume work, and that higher wages would offset the increases. However, nothing came of these promises. The masses' standard of living is falling day by day, to the point that one can no longer make ends meet. It grieves you to see schoolchildren eating a piece of dry bread or two or three olives in the recess between classes! Like their parents, they want democracy, but not hungry democracy. People rightly ask, "Where is the aid? What happened to it? Where does it go? Why do we not see it on the market?"

The situation is genuinely extremely worrying. When people wake up in the morning, the first question they ask is, "What will we eat for breakfast, lunch, and dinner?" Albanian democracy is suffering, while wheeler-dealers and speculators are growing fat. Party leaders, lend a hand to hungry democracy! The best ways toward a solution are to raise wages to match uncontrolled price increases and to fill the market immediately with the necessary food.

Rural 'Epidemic of Destruction' Under Way

AU1912102491 Tirana ZERI I POPULLIT in Albanian 10 Dec 91 p 2

[Selman Meziu article: "Stop the Epidemic of Destruction"]

[Text] When the entire Albanian society suffered from political fever and social and economic chaos, and when absenteeism, hysterical rallies, and paralyzing strikes were rife, the peasantry nevertheless continued working in a sort of way. However, when the parliament began its endless discussions of the Land Law, supplies to the countryside of raw materials for agriculture were interrupted and the shops and storehouses in the countryside, too, were emptied, the peasants' confidence, psychology, and morality also began to waver, and the worm of disillusion worked its way into their minds. Peasants then began to think back to their old land boundaries, their plots, forests, and pastures. Their blood feud instincts began to be revived again. The Albanian countryside has now been abandoned to insecurity, and crime and individual and organized theft have increased phenomenally.

This situation became suitable terrain for the politicians and loudmouths of the Democratic Party [PD] to issue their "war cry" for the destruction of the agricultural cooperatives, "the dissolution of the people's councils," etc. Through rallies, newspapers, and journeys from village to village, they spread a fantastic psychosis that destroyed everything that the peasants themselves had built for their own use. Faced with this devastation, peasants wondered whom to complain to about this scourge. In whose interests was this epidemic of destruction?

However, there was silence. Nobody replied, apart from a few howls in the press and one or two statements in parliament that were neither one thing nor the other. Guilt seemed to be an overcoat that nobody wanted to put on. Meanwhile, the PD's supporters claimed that everything must be razed to the ground because it belonged to "the cryptocommunists, the monists, the era of the dictatorship," etc. Now destitution has made itself at home in the Albanian countryside, and is penetrating every nook and cranny of its spirit. Migjeni's lapidary line describes it perfectly: "... they go in search of a square meal, but with lies, hoaxes, and delusive hopes." In Puke District alone, there are 1,800 families without any kind of income, and who therefore suffer for a crust of dry bread.

When we talked to Koco Kote, deputy minister of agriculture, he told us: "We are extremely worried. We want to store wheat for bread and to open shops for the sale of selected seeds, chemical fertilizers, phosphates, and herbicides, but there are no buildings left in villages large or small or even in the depths of the mountains. They have been totally destroyed." This worry is justified, necessary, and only human. At meetings with members of the government, peasants and specialists

have asked for bread for their children, a material and technical basis for agriculture, and the fast implementation of the reform. However, all this requires a total commitment. Do the other members of the government know that the telephones in the countryside do not work, that telegrams, letters, and publications do not arrive, that in some village shops there is no salt, soap, paraffin, or clothing, and that there is no drinking water or electricity? What is the Public Order Ministry doing about the rising crime and theft even in the countryside?

If these bitter facts were not enough, the opposition parties in the countryside continue to play fast and loose with the enforcement of the Land Law, under political camouflage of various kinds. Did not the deputies and leaders of the PD unanimously raise green cards to approve this law, while different tub-thumpers at rallies and in newspapers said that the law was a mistake, and urged the restoration of old boundaries? Thus, they told people not to do what I do, but what I say. They advised people to trifle with the feelings and livelihood of 65 percent of the country's population, telling people to stare at the sea and the sky until the PD's democracy triumphs.

All these things further exacerbate the situation in the countryside. However, you politicians, deputies, and members of the government must realize one thing: Do not play with the countryside, because history, that harsh judge, will not ask who gambled with democracy today. Do not continue to give the countryside a bad deal, only thinking about it in the endless promises of election campaigns. Think hard about the countryside's woes. Better late than never.

Libyan Medical Aid To Arrive 19 Dec

AU1812173291 Tirana ATA in English 1053 GMT 18 Dec 91

[Text] Tirana, December 18 (ATA)—The association "The Islamic Union," the Ministry of Health, in cooperation with the Libyan Arab People's Office (the Libyan Embassy in Tirana), contributed to bring aid from the Great Socialist People's Libyan Arab Jamahiriyah. This considerable medical aid arrives on December 19 at Rinas Airport by special plane.

The aid is associated by personalities and a group of renowned Libyan doctors, who will attend the delivery of this aid for the Albanian people.

Libya May Seek Lockerbie Trial in Bulgaria

AU1812205691 Sofia Khristo Botev Radio Network in Bulgarian 2030 GMT 18 Dec 91

[Text] Libya seeks a third country in which to hold the trial of the two Libyan citizens who blew up the Pan Am aircraft over Scotland's town of Lockerbie in 1988. This was reported by a representative of the Bulgarian Ministry of Foreign Affairs, quoted by REUTER. Libya will most probably ask Bulgaria to host the trial, the Bulgarian representative said. A Libyan envoy has arrived in Sofia to negotiate with the Bulgarian authorities on the matter, REUTER adds.

Bulgaria Ready To Recognize Independent Macedonia

AU1912105791 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 19 Dec 91

[Text] In an interview given to Radio France International, Bulgarian Deputy Foreign Minister Stefan Tafrov stated that the twelve EC countries have placed on an equal footing not only Slovenia and Croatia, but also the Republic of Macedonia—republics that want to become independent, achieving this by democratic means through a referendum.

Stefan Tafrov stated that Bulgaria is ready to recognize the independence of Macedonia, on the basis of the principle that all peoples have a right of self-determination and a right to form their own state. We consider, he said, that the state that is being created at the moment in Macedonia could become a bridge of fraternal friendship between the Balkan peoples. In this way, Macedonia will perhaps cease to be a source of instability, Stefan Tafrov stated.

[Sofia BTA in English at 2052 GMT on 18 December in a Sofia-datelined report adds the following: "'Sofia wants to recognize Macedonia's independence at the beginning of next year,' Mr. Tafrov said. Mr. Tafrov stressed Bulgaria's readiness to 'secure the rear' of 20 to 30 observers that will be deployed along the Bulgarian-Yugoslav border. 'Bulgaria wants to prove that it is not building up Armed Forces on its border with Yugoslavia,' Mr. Tafrov said. He recalled that two months ago the Bulgarian authorities invited NATO military attaches accredited to Sofia to find out the truth for themselves."]

Gen. Petrov Views NATO Visit, Turkish Ties

AU1712191991 Sofia BULGARSKA ARMIYA in Bulgarian 12 Dec 91 pp 1,4

[Detelin Vulkov report on interview with Colonel General Lyuben Petrov, chief of the Bulgarian Army's General Staff; place and date not given: "The NATO Delegation Worked Diligently, in an Atomsphere of Mutual Confidence"]

[Excerpt] [passage omitted] Colonel General Lyuben Petrov, chief of the Bulgarian Army's General Staff, made the following statement to BULGARSKA ARMIYA, when he was asked to comment on the visit paid by a representative NATO delegation to our country: This is a visit of exceptional importance at this particular moment, shortly after we adopted a strictly defined goal—namely the optimal improvement of the Ministry of Defense and of the Army's General Staff. The hitherto existing Army structures made it impossible to implement the tasks emerging under the new conditions, and this is an excellent opportunity to exchange experiences. In addition to this, we could also seek NATO's assistance in planning, organizing, and implementing our tasks related to the operational and combat training of the troops and to the functioning of the administrative organs in the Army.

The talks are proceeding in a very satisfactory, businesslike spirit for the time being. Specific problems are openly discussed. We could profit very much from analyzing the experience of our partners. Naturally we have to adapt it to our own conditions, because it is impossible to mechanically apply all elements of their experience.

Nevertheless, the basic goal is to establish close relations with NATO, considering that this organization is one of the chief guarantors of European security for the time being. In this context, we expressed our concern about the disrupted balance of forces in the Balkans, which emerged as a result of the Conventional Forces Treaty, signed on a bloc basis. The question of the imbalance was raised with the necessary concern and emphasis by our side, in addition to which we also expressed the hope that the problem could be resolved at the forthcoming Helsinki talks. For the time being, the NATO representatives showed their full understanding for our difficulties.

[Vulkov] General, since the NATO delegates showed understanding for our problems, as you said, would they also be likely to assist us in establishing more comprehensive contacts with our southern neighbors?

[Petrov] You know, that General Gures, commander in chief of the Turkish Army's General Staff, is expected to arrive in our country on 16 December. This will be a new step toward consolidating mutual confidence and openness. It is expected to be a step toward promoting the intensification of cooperation between the armed forces of Bulgaria and Turkey. In addition to this, we intend to propose some specific stabilization measures in our region. They also met with NATO's approval and are part of the guarantee for the correction of the Balkan imbalance.

All this can be assessed as a positive beginning.

Turkey's Chief of Staff General Gures on Visit

Tours Graf Ignatievo Airbase

AU1712185291 Sofia BTA in English 1737 GMT 17 Dec 91

[Text] Sofia, December 17 (BTA)—Today Army General Dogan Gures, chief of the General Staff of Turkey's Armed Forces, visited the air base at Graf Ignatievo near Plovdiv, Bulgaria's second largest city. Accompanied by

Lieutenant Colonel Tsvetkov, commander of the unit, General Gures inspected the advanced warplanes deployed in the installation. The Turkish guest was familiarized with the combat capabilities and the organizational structure of the air base considered to be an elite air force unit.

General Gures told BTA that the openness and candour he had been accorded at that strong military base were an impressive step toward building mutual trust. "I feel duty bound to do my best for the strengthening of friendship between our armies," General Gures went on to say.

Meets Navy Commander, Varna Mayor

AU1812142291 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 18 Dec 91

[Text] On 18 December the delegation of the Turkish Armed Forces led by Army General Dogan Gures, chief of the General Staff of the Turkish Armed Forces, visited the Vasil Levski Higher Military School and viewed the Arbanasi cultural-ethnographic project.

Afterward, the delegation arrived in Varna. At Varna Airport the guest was greeted by Vice Admiral Dimitur Pavlov, commander of the Bulgarian Navy.

In the afternoon Varna Mayor Engineer Khristo Kirchev received Army Gen. Gures.

Intelligence Service To Cooperate With U.S.

AU1812174491 Sofia BTA in English 1415 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—Bulgarian intelligence officers will be trained in the United States in combatting terrorism and organized crime, Lieutenant General Stoyan Andreev, the president's national security adviser, announced today. He praised the cooperation between the Bulgarian and the U.S. secret services.

General Andreev gave this information at a news conference at the end of an international meeting of high-ranking intelligence officials from seven East European countries and U.S. experts.

According to Mr. Rumen Danov, another national security adviser to the president, this does not imply that Bulgaria will become another superpower's satellite so soon after it broke free from big Soviet brother's stranglehold. Bulgarian secret agents are closely cooperating with their colleagues from Britain, Germany and other countries in combatting drug trafficking, arms smuggling, terrorism and organized crime, Mr. Danov said. Coordinated effort in fighting these global threats is a strategic tendency in the activity of Bulgaria's intelligence service, according to Mr. Danov.

Zhelev Calls For Intelligence Services Reforms

AU1712155691 Sofia BTA in English 1501 GMT 17 Dec 91

[Text] Sofia, December 17 (BTA)—"The intelligence services should be reformed, creating normal conditions for the democratization of society. Our experience has proved that in the initial period of democratization conditions are created for the activation of criminal and terrorist forces and for sabotages on a world-wide scale," Bulgarian President Zhelyu Zhelev said today on opening the national conference held with international participation on the subject of "the role of the intelligence services in the new European democracies."

The U.S. Administration is co-organizer of the conference. Mr. William Colby, former CIA director, and Mr. Allen Weinstein, president of the Center for Democracy headquartered in Washington, are among the guests from the United States. Experts from Albania, Romania, Russia, Poland, Czechoslovakia and Hungary are attending the conference too.

Dr. Zhelev pointed out in his speech that while studying the management technology employed by the totalitarian regimes he had been impressed they always used the intelligence services to destabilize certain social circles or the society as a whole.

"It struck me," he said, "that especially under the socialist totalitarian regimes the intelligences bodies were beyond the control of parliament and even beyond governmental control, they played the game almost without any rules, i.e. there were no laws to regulate their activity, they acted at instructions issued by the leader."

"That is why," the president went on to say, "now when we want to establish the rule of law in all spheres and to go on with the process of democratization in compliance with the national and the international legal norms, we should remove all distortions and sinister malformations."

The conference will discuss the following major topics: the use of police files, the relation between secrecy and openness, judicial and public mechanisms of control over the intelligence services, and the preparations for another conference next spring.

The conference is attended by Mr. Yordan Sokolov, minister of the interior, Mr. Yordan Vasilev, chairman of the parliamentary National Security Committee, advisers to the Bulgarian president, and department chiefs of the Ministry of the Interior.

Zhelev Presents Presidential Election Platform

AU1812174691 Sofia BTA in English 1418 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—Today Bulgaria has the unique chance of taking a worthy place in Europe, of pursuing an independent foreign policy and of guaranteeing her national independence and sovereignty

without binding herself to any superpower or seeking the protection of military blocs, Bulgaria's President Zhelyu Zhelev said, presenting his platform as a candidate for a second presidential term in an address to the nation.

He pledged to defend the non-partisan nature of the presidential institution and the basic human rights and freedoms of all Bulgarian citizens regardless of their ethnicity and religion, including the right to develop their ethnic identity and culture.

The president formulated his views on his future role in guaranteeing social and civil peace, environmental security, relations of tolerance and cooperation between the ethnic groups included in the modern Bulgarian nation.

According to Dr. Zhelev, the priorities in Bulgaria's foreign political course are her integration into the basic European structures such as the CSCE, the Council of Europe, the European Community and NATO, the signing of bilateral agreements for cooperation with the large European states such as Germany, France, Italy, Russia, the Ukraine and others, the signing of bilateral agreements with Greece, Romania, Turkey and with other neighbouring countries and the maintaining of active relations with the United States which has always encouraged the democratic processes in Bulgaria.

The president pledged to assist the efficient reform in the Bulgarian Army through a broad system of training Bulgarian officers at the NATO schools and the cooperation between the Bulgarian military industry and the military complexes of the advanced states among other means.

In conclusion President Zhelev promised to do everything possible to preserve Bulgaria's international prestige as an isle of social and political stability in the Balkans.

Government Accepts Responsibility for Foreign Debt

AU1712190591 Sofia 24 CHASA in Bulgarian 12 Dec 91 p 1

[Slavka Bozukova report]

[Text] The government gave in to the Deutsche Bank and recognized the debt, recorded until now only in the Foreign Trade Bank's accounts, as a state debt.

"The proposal to turn the foreign debt into a state one was put to the National Assembly by the government and we informed our private banking creditors of this," Mariana Todorova, chairperson of the Debt Commission, stated on her return from Vienna on 11 December.

The Debt Commission does not contest the recognition of the loan's state character, but this does not mean that the government will pay the amount that the bank creditors want, the Bulgarian participants in the Vienna meeting stated. In other words, the state will probably give guarantees for debt payments after the final rescheduling of our debt.

According to the representatives of the creditor banks, recognition of the state character of the debt means that the present government will accept responsibility for its payment, the information agencies reported on 11 December.

Negotiations with the London Club will begin in January. Emil Khursev, deputy director of the Bulgarian National Bank, said that the long-term settlement of the debt would be discussed at these negotiations, not an interim rescheduling as has been the case until now. A decision on the debt's rescheduling will probably be made by the end of 1992. For the moment debt repayments have been postponed until March.

SDS Criticizes Judicial Council Act Amendment

AU1912093491 Sofia BTA in English 0808 GMT 19 Dec 91

[Text] Sofia, December 19 (BTA)—A new Supreme Judicial Council will be elected within a month. Yesterday parliament adopted amendments to the Supreme Judicial Council Act passed by the Grand National Assembly during its last months in office.

The Union of Democratic Forces (SDS), which was in opposition in the former Socialist-dominated parliament, criticized the act. The members of the council were elected at meetings of judges, investigators and prosecutors which, however, often lacked a quorum. Lawyers were excluded from these meetings.

For the ruling SDS the amendments are the next step in the process of decommunization in Bulgaria. Formerly, the Bulgarian judicial system was under the Communist Party's direct control. Important cases were entrusted to party members only. It was impossible to rise in the party hierarchy without constantly proving one's allegiance to the Communist Party.

The amendment provoked a strong reaction on the part of the BSP [Bulgarian Socialist Party] MP's [members of parliament] who charged that the SDS wanted to "lay its hands on judicial power."

Situation at Arsenal Company Strike 'Explosive'

AU1712171491 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 17 Dec 91

[Text] According to Anton Papadzhanov, spokesman of the Podkrepa Labor Confederation strike committee at

the Arsenal Company in Kazunluk, the mood of the strikers can be described as explosive.

We are afraid that the people's anger is escalating and they are more and more frequently gazing at the 77-mm Kalashnikov machineguns that are produced here. This is what Anton Papadzhanov stated, and I am quoting his words:

You should pay attention to the fact that other types of the most updated conventional weapons are produced here, he added. The answer to the question of the BTA correspondent asking against whom the weapons would be directed was: Against the government. The government is creating the impression that it does not care about the millions in foreign and Bulgarian currency that are lost to the state by the strike and that it values the general manager of the Arsenal Company more highly.

It is sad to hear that the same people who are on strike at the Arsenal Company voted for this government, which deceived their hopes. This was the argument of the strike committee's spokesman.

Since 0500 this morning the strike posts of the Podkrepa Labor Confederation at the Arsenal Company have occupied the administrative building and declared it blocked. They admitted only the telephone operators on duty and the company's strike committee members.

This measure is being applied by the strikers as a sign of protest against the sluggish attitude of the Council of Ministers and the Ministry of Industry and Trade, which only make promises, but do not take any action to examine the demands of the strikers. This is what the spokesman of the strike committee stated.

65 KNSB Organizations To Join in 8 Jan Strike

AU1812182491 Sofia BTA in English 1614 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—"I promise you an international scandal," Professor Stavrev, vice president of the Confederation of Independent Trade Unions in Bulgaria (KNSB), said at a briefing today. The promised scandal is in connection with the act passed by parliament on the reversion of the illegally acquired property of the Bulgarian Socialist Party (BSP) and other "official" organizations, including the KNSB. According to Professor Stavrev, at the International Organization of Labour Headquarters they could not believe their eyes when they saw this legislative act and asked for its official translation.

Upon the passing of the act the KNSB called its members to a general token strike on January 8, 1992. The motives for the strike, according to the leaders of the KNSB, are the helplessness of the government and parliament and their irresponsible attitude to the unemployed, the pensioners and the poor.

"The attempts of the Bulgarian Socialist Party to use our trade unions in its own interests has put us to great trouble. But we have nothing to do with the BSP," Professor Stavrev said.

So far 65 of the most numerous organizations of the KNSB have confirmed their participation in the strike.

There is a strike at the Arsenal Military Works and at several transport companies.

But most serious is the situation at the Port of Burgas (on the southern Black Sea coast). The strike of the dockers there has been continuing for ten days now and four people went on a hunger strike yesterday. At a briefing today it was said that 40 ships are waiting to be handled and that the losses are estimated at 20 million leva a day. According to the chief accountant of the port, Mr. Krasimir Stoychev, the actual size of the damages will become known in 3 or 4 months. According to his preliminary estimations, they are 10 million leva a day ($500,000). Today Professor Krustyo Petkov, president of the KNSB, and Mr. Aleksandur Aleksandrov, minister of transport, reached an agreement to guarantee the solution of the conflict in all its aspects.

Podkrepa Refuses To Divide Property With KNSB

AU1812194491 Sofia BTA in English 1909 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—"Some people may try to capitalize on the Podkrepa Labour Confederation," Dr. Konstantin Trenchev, president of the Podkrepa Labour Confederation, writes in a letter to the International Organization of Free Trade Unions. According to him, this may happen in connection with the act passed on December 12 on the reversion to the state of property illegally acquired after 1944.

This act concerns the Communist Party and its satellites, including the Confederation of Independent Trade Unions (KNSB). KNSB has suggested that the property be divided between the two trade union amalgamations. Mr. Trenchev said that Podkrepa holds a firm position: The organization is against the division of property because "this property does not belong to us and moreover, it has been acquired illegally and immorally."

KNSB Claims Property Confiscation Act 'Illegal'

AU1812111791 Sofia DUMA in Bulgarian 14 Dec 91 p 1

["DUMA PRESS" report]

[Text] This act is illegal from the standpoint of international law and from a social viewpoint, Diana Damyanova, spokesman of the Confederation of Independent Trade Unions in Bulgaria [KNSB], told a DUMA reporter. She reconfirmed Professor Petkov's statement

on Bulgarian Television that the confederation had presented exhaustive information on the trade union property relationships in international law. There is no question, she said, that the trade union property should not be owned by a single trade union, but the state could act as arbiter and allocate the trade union property among the trade union confederations. In her opinion, at the moment parliament is blindly adhering to dogmas and ignoring logical arguments.

Dissension rages in the KNSB offices regarding the question whether the Boyana or Bankya residences should be occupied from now on by the KNSB members. An informed source claims that, nonetheless, the alternative trade union confederation will follow the example of Podkrepa, which conducted its sit-in with impunity.

The property confiscation act has given the Orange Agrarians much food for thought. They failed to come out with an official stance, although their meeting continued until the late evening.

BSP's Lilov Resigns Citing Political Differences

AU1812094391 Sofia DUMA in Bulgarian 16 Dec 91 p 1

["DUMA PRESS" report]

[Text] In his speech summarizing the debates on the first day of the 40th Bulgarian Socialist Party [BSP] Congress in Sofia on 14 December, Aleksandur Lilov confirmed his intention to withdraw from the party leadership. He gave as reasons for his decision the election results, the fundamental differences of an ideological, political, and ethical nature that existed with other members of the party leadership, and the need to make way for the younger generation.

Lilov said that his expectations were shaken that this congress would be a reforming one that would mark a new era of change in the party. The congress may become the precursor of a new crisis in the BSP, may increase the hopes and actions of the ruling coalition to weaken the party, and may leave society dissatisfied and the Socialists in confusion. The word "split" was also mentioned, which seems no surprise, but nevertheless disturbed many delegates.

In announcing his withdrawal from the leadership, Lilov expressed fears about the BSP's fate and development and referred to precedents in contemporary East European politics. In his opinion, there are risks of a serious decline in the party's membership and of a new formalism appearing in the leadership's ideological and political thinking. He considers that his concept of building a new leftist party is an elementary necessity, and if the BSP declares its intention to become a run-of-the-mill social democratic party, this will constitute mere simulation and drive away a large portion of the membership, the electorate, and the young people.

Our future lies in becoming a new, up-to-date party of the left, Lilov declared, explaining that this includes both social democracy and the experience of other modern left-wing movements and parties. According to Lilov, this is the right niche for the BSP in the Bulgarian political landscape.

Dimitrov, Dertliev React to Videnov Election

AU1712190891 Sofia BTA in English 1733 GMT 17 Dec 91

[Text] Sofia, December 17 (BTA)—At a press conference today Mr. Zhan Videnov said he was much surprised by his election as leader of the Bulgarian Socialist Party (BSP) at the party's congress which ended early this morning.

At the congress Mr. Videnov supported Mr. Lilov's line, according to which the BSP should turn into a "modern left party." This concept clashed with the trend towards a social-democratization of the party. "These two concepts should not be opposed. The "modern left party' concept incorporates the values of social democracy," Mr. Lilov explained today. He was present at the press conference of his successor.

Mr. Lilov openly sympathizes with the BSP's new leader.

Today they both made statements implying willingness for reconciliation with the supporters of the social-democratization concept. Social Democrats in the BSP refrain from making statements against Mr. Videnov. They would rather wait and see his first moves. Mr. Dimitur Yonchev, an advocate of social-democratization, pointed out that none of the reformers had been invited to the party's regular press conference yesterday.

Dr. Petur Dertliev, leader of the Bulgarian Social Democratic Party, was the first to take a negative view of Mr. Videnov, only hours after his election. "An old Bolshevik was replaced by a young one," he said.

According to Prime Minister Filip Dimitrov, leader of the ruling Union of Democratic Forces (SDS), the election of Mr. Videnov as a political choice shows that the BSP is unlikely to change. "Moreover, Mr. Lilov retains a key position," Mr. Dimitrov told the press, referring to Mr. Lilov's new post at the head of a Centre for Strategic Analyses and Studies with the BSP Supreme Council. In his opinion, the Socialists' congress is "a step which will hardly lead to a genuine change in that party."

BSDP, Liberal Parties Hold News Conferences

AU1812192291 Sofia BTA in English 1856 GMT 18 Dec 91

[Excerpts] Sofia, December 18 (BTA)—"Only the Zhelev-Dimitrova, Sendov-Saparev and Popov-Genchev teams stand a chance of winning the presidential elections," Dr. Petur Dertliev, leader of the Bulgarian Social Democratic Party (BSDP), said. He added

that his party would not support Dr. Zhelev because he had agreed to run on a blue ballot-paper (the colour of the Union of Democratic Forces) [SDS] and because he is in a team with Mrs. Blaga Dimitrova.

Dr. Zhelev will be supported by the Liberals' Party (which won 2.8 percent of the votes in the general elections) led by Mr. Petko Simeonov, as well as by the SDS, the Movement for Rights and Freedoms and other political forces. [passage omitted]

Reports that the two Bulgarian Agrarian Parties will unite are untimely. It was said at a press conference of the Nikola Petkov Bulgarian Agrarian Party that the unification will be a long process and that the final decision rests with the two parties' congresses. [passage omitted]

State Control Over Medicine Prices Envisaged

AU1812173491 Sofia BTA in English 1448 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—"The medicines produced and imported in Bulgaria this year are estimated at $82 million i.e. there was $10 in medicines for each Bulgarian citizen. According to the World Health Organization in 1985 each citizen of the United States and of the West European states disposed of medicines worth 62 and 54 dollars respectively," Professor Genka Gencheva, director of the Medicine Control State Institute, told a press conference today.

This year the Bulgarian pharmaceutical enterprises produced medicines to the tune of $30 million. So far the state has signed no contract with them. They supply the home market at their own good will. The producers have undertaken the obligation to turn out medicines to the tune of $41 million next year.

It was at the beginning of 1990 that the pharmaceutical enterprises received the last state subsidies. As much as 80 percent of the raw materials used by these enterprises are imported. This necessitates the export of Bulgarian medicines. Medicines to the tune of $300 million were exported to the former Soviet Union this year alone under a barter deal and against the import of oil.

At the same time there is a shortage of medicines in this country. Even analgesics and vitamins are unavailable. Insulin is also in short supply. Only the most urgent operations are performed at the hospitals because of the shortage of consumables and anesthetics.

This year Bulgaria imported medicines to the tune of $38 million: for 15 million dollars by state organizations and for 13 million dollars by new private companies. The European Community donated medicines for $10 million. International organizations have made donations to the same amount.

A year ago the state ceased to control the prices of medicines as well as their import. Private companies are selling medicines the quality of which has not been analyzed. The project prepared by the Ministry of Health envisages the restoration of state control over the price of medicines.

Emigre Plans Bulgarian Newspaper in Macedonia

AU1812173591 Sofia BTA in English 1427 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—A Bulgarian emigrant from Macedonia, now living in Toronto, Canada, will publish a Bulgarian newspaper in the Republic of Macedonia. Mr. Georgi Mladenov, a pharmaceutist and chairman of the Mladenov Corporation he has founded, has informed the president of the Republic of Macedonia, Mr. Kiro Gligorov, of his intentions.

The newspaper will be published jointly with the Macedonia Foundation and will most probably be called "VARDARSKI SONETI." Its publishers have informed Mr. Gligorov that it will be a weekly of a 100,000 circulation which will sometimes include a page in English and Greek. It will be delivered door to door as well as with the assistance of the postal services.

Emigration Data on Young People Published

AU1812173391 Sofia BTA in English 1442 GMT 18 Dec 91

[Text] Sofia, December 18 (BTA)—72 percent of the young Bulgarians who emigrated in 1990 left this country with their families. 47 percent of them said they intended to stay abroad for a year, while 15 percent wanted to take up permanent residence, according to a sociological survey on "Emigration and Young Bulgarians '90," conducted by the Youth Institute.

Young Bulgarians prefer to emigrate to economically advanced regions. Africa and the Middle East are unattractive to them.

There is no interrelation between educational qualifications and the desire to emigrate, according to sociologists. At the same time, occupation is a decisive factor: Emigrants are mostly intellectuals and university students, followed by underage students and workers. Only 2 percent of emigrants are supporters of the Bulgarian Socialist Party (BSP) as against 15 percent of sympathizers of the Union of Democratic Forces. This large margin can be attributed to the victory of the BSP in the parliamentary elections in 1990—the year analyzed by the survey.

Political reasons were not at the bottom of emigration, according to the survey's authors. The major motive was the feeling that Bulgaria was in the grip of a total crisis and the hopeless state of the economy and the social sphere.

A total of 400,000 people emigrated from Bulgaria for the last two years.

Federal Assembly Approves Amended Budget Rules

LD1912034291 Prague CSTK in English 1911 GMT 18 Dec 91

[Text] Prague Dec 18 (CSTK)—The Czechoslovak Federal Assembly (parliament) today approved amended budgetary rules proposed by the federal government for 1992, under which 35 per cent of the state budget will go to the federation, 41.5 per cent to the Czech and 23.5 per cent to the Slovak Republic.

The parliament also approved a federal government report on the fulfilment of the federation's budget and the two republic budgets in the first nine months of 1991. According to the report, an originally expected budgetary surplus of 8,000 million crowns may not be achieved.

The House of Nations deputies approved a proposal to discuss the bills on the state bank of Czechoslovakia and on banking that were not passed by the house last week.

Minister Views Czech Unemployment, Shadow Economy

AU1712204191

[Editorial Report] Prague EKONOM No. 49 in Czech (6 to 12 December) on pages 25 and 26 carries a 3,000-word interview with Milan Horalek, Czech minister of labor and social affairs, by Jan Urban, entitled "Employment in Year One." The interview, the place and date of which are not given, deals with the situation on the Czech labor market.

The minister is first asked to assess the development of unemployment in the Czech Republic. Horalek recalls that when, last year, he "created a reserve for 150,000 unemployed" in the Czech Republic's budget for 1991, his prognosis had "met with great doubts." Today, when 142,000 people in the Czech Republic collect unemployment benefits, "this fact is, paradoxically, the subject of new doubts. The most frequent criticism is that the reform is progressing badly as it maintains a high level of social overemployment." Horalek denies this, arguing that the development in the Czech Republic has been typical of an economy in recession. The companies' first reaction to the recession was to cut overtime work (whose rate in the Czech Republic's industry dropped from 5 percent to only 1 percent), introduce shorter working hours (150,000 people in the Czech Republic were on "short-time work" in November, according to Horalek, working only four days a week), and to retire people earlier. Only then did they start laying off people. Horalek says: "While at the beginning of the year, 10,000 jobs in the Czech Republic were abolished every month, in the last three months this number increased to 50,000. But even though 50,000 people lose their job every month, only 10,000 of them become unemployed. I am afraid that this is what the authors of catastrophic visions for next year are forgetting—what an active employment policy can accomplish."

Horalek goes on to say that he does not regard the number of job seekers as an adequate indicator of the unemployment rate. Rather, only those unemployed should be counted "who really lost their jobs and who meet the criteria for unemployment benefits." If this indicator were used, he says, the Czech Republic's unemployment rate would be only 2.5 percent.

To illustrate the "success of the active employment policy," Horalek says that 75 percent of job seekers in the Czech Republic succeed in finding a new job within six months and that the average period of unemployment is four months. "Such unemployment is not only socially tolerable but also absolutely sound," he says.

Asked how many of the people who collect unemployment benefits do not actually want to work, Horalek says: "There are at least 50,000 people who actually neither want to work nor undergo retraining. They are permanent customers of the labor offices—not as job seekers but as benefit seekers. Under the impression of experience with this socially problematic group, entrepreneurs are increasingly reluctant to offer their vacant jobs to labor offices but seek employees on their own." According to the minister, this suggests that the real number of vacant jobs exceeds the number of registered vacant jobs.

Horalek also comments on the parallel payment of severance pay and unemployment benefits in the Slovak Republic, which he sees as one of the reasons for the Slovak Republic's higher unemployment rate. He says: "The average period of severance pay in the Czech Republic is four months, during which the unemployed receives his average monthly earnings. While he receives severance pay, he does not get any other support and is not allowed, for all practical purposes, to earn any extra money. A different practice was introduced in Slovakia in May. They pay unemployment benefits amounting to 65 percent, along with severance pay, even when the citizen himself gave notice. In addition, the unemployed are allowed to earn an extra 800 korunas a month. This measure gave a tremendous boost to unemployment. If I introduced it in the Czech Republic, I would immediately extend the average period of unemployment by four months and spend 100 percent more on unemployment benefits. However, our course of action has not been a subject of admiration. Quite the contrary, some trade unions are trying to enforce a similar 'social privilege' also in the Czech Republic and, thereby, to drive the number of unemployment to 500,000 as soon as possible. I have to tell them that we will have no money for such unemployed."

Rather than being made more generous, Horalek believes that unemployment benefits should be reduced for those who had themselves given notice. He also believes that the minimum unemployment benefit should be reduced to the level of the subsistence minimum—that is, to 1,200 korunas a month—for school graduates who reject offered jobs. "Young people do not need support, they need a chance," he says.

Commenting on the anticipated development of unemployment next year, Horalek says: "I expect unemployment to grow, to a certain degree, at least until May 1992, as a result of the clearing and barter trade with the Soviet Union coming to a halt and of the belated lifting of limits on textile and other consumer goods imports by the EC and the United States. Unemployment will grow also in connection with the privatization process. The coupon method will not save companies in which no one is interested. A certain degree of overemployment is connected precisely with the fact that we are at the start of privatization. On the other hand, I know that in some instances the present management brought about an artificial decline in employment to reduce the market value of companies that it wants to purchase, either on its own or in agreement with someone else. The directors of labor offices who have studied the privatization projects of companies in their districts voice the suspicion that the depression in some companies is of a very temporary nature and that there will be a sharp turnabout as soon as the managers who are interested in these firms acquire them within the framework of privatization."

One question concerns the impact of the shadow economy on the labor market. Asked to estimate the scale of the "underground economy," Horalek says: "Count with me. In the sector of large enterprises in the Czech Republic, the number of employees has declined by 750,000. In the sector of small enterprises, it has increased by only 100,000. Another 50,000 people have retired and an estimated 25,000 people from the Czech Republic work abroad. Considering the existing unemployment, it is a mystery for us where some 500,000 people are. A certain percentage of them are in professions that are not covered by any records. This concerns the 'oldest profession' where one can speak of about 130,000 gainfully active persons, but also other 'professions.'"

"One such profession is the so-called 'horses' [konici], people who deliver miscellaneous, for the most part smuggled, merchandise that is sold on markets. Through cigarette smuggling alone, every week at least 10 people in this country become new millionaires. There are also the so-called 'pile- keepers' [hromadkari], people who are bringing in discarded goods from the wealthier neighboring countries and who serve as suppliers of spare parts. If we concede that some 150,000 people earn their living in those three professions, it means that a large sector of the gray economy has taken shape here, and coming to grips with it and taxing it will require amendments to a number of current laws."

Carnogursky Outlines Czech-Slovak Disputes

AU1712220591 Bratislava VEREJNOST in Slovak 16 Dec 91 pp 1, 3

[Interview with Slovak Prime Minister Jan Carnogursky by Jozef D. Janosko; place and date not given: "We Must Not Dramatize Our Domestic Disputes"]

[Text] Slovak Prime Minister Jan Carnogursky was among the participants in the recent East-West international journalists' conference. He took part in the conference within the framework of the journalists' interviews with Slovak political representatives. Our editor used this opportunity to ask the Slovak prime minister to answer some topical questions on issues at the forefront of interest on the Slovak domestic political scene.

[Janosko] Foreign political commentators, analyzing events on the Slovak political scene, more and more often express the view that the Christian Democratic Movement [KDH], which you head, is rather uncertain and that it would have to radicalize itself nationally in the event that it is necessary to utilize the so-called worst case scenario—if the federation were to break up—if it does not want to "miss the last train." Mr. Prime Minister, what is your view?

[Carnogursky] I admit that the KDH is uncertain. It is a popular movement in the sense that its ideology and its political line come from below and, in essence, "it listens" to what is being said in Slovakia and then endeavors to turn this into its political orientation. Of course, this process is assisted by certain permanent KDH principles. However, the main thing is "monitoring" what ordinary Slovak people want.

First and foremost, they want to maintain the joint state, but with the maximum possible jurisdiction for Slovak bodies. Public opinion polls also bear this out.

We are in favor of preserving the joint state so that, in a certain sense, it benefits the republics and enables them to grow as best they can. The KDH also finds itself in a false dilemma—that the Czech side placed us in during mutual negotiations—on this very issue. We hear from their side that either the joint state will have a certain number of ministries and jurisdictions far exceeding the three that, for example, President V. Havel mentioned, or we will break up. Understandably, the KDH wavers a little when confronted with such a dilemma. It is unacceptable to us to make concessions and accept the Czech representatives' demands, for example, on the extent of joint economic jurisdiction. The KDH's uncertainty stems from the way the negotiations are proceeding and from whether the Czech side is—possibly—willing to accept Slovak demands.

We really do not want to break up this state. If we wanted to do this, we would simply replace the current coalition in Slovakia with another one, and development would make rapid progress. From this point of view, I consider foreign media commentaries to be correct and objective when they pointed out that the KDH acts as a kind of balance on the scales and everything is in fact in the hands of this movement. I am personally proud of this. In any event, we want to assert the aforementioned view of the joint state, a view that is diametrically different from Czechoslovakia's current arrangement.

[Janosko] If one of the governing coalition parties [the KDH] is—I would say—inflexible, this does not mean that it is obstinate, but that it, undoubtedly, has its own point of view.

[Carnogursky] Certainly. Let me give you a few figures. Unemployment in Slovakia is, for example, two and a half to three times higher than in the Czech Republic. Or another fact. Of the credits that flowed into the federation's individual enterprises or private companies on a commercial basis—this amounts to 10.5 billion korunas up to the end of October alone—Slovakia "received" 0.5 billion korunas, and the remaining 10 billion went to the Czech Republic. Of the investment program for the construction of highways—being constructed this year or whose construction will begin next year—only some 10 percent is earmarked for Slovakia.

I want to emphasize that this is not the result of deliberate anti-Slovak policy. It simply reflects the reality of the differing economic conditions in Slovakia and the Czech lands and confirms that common across-the-board economic rules manifest themselves quite differently in the two republics. Therefore, we are forced to look for our own solutions. Another problem is that Slovakia is incapable of formulating its own rules, plans, and ideas sufficiently in advance.

Let me return to your first question. Yes, the KDH is uncertain because, on the one hand, we have an image of the joint republic as a framework for creating the optimum conditions for Slovakia and the Czech Republic and, on the other hand, however, we are meeting with resistance from the Czech side to fundamentally restructuring the existing republic, a republic that in the past was not structured the way the Slovak side thinks it should be structured. At the same time, the Czech side is pressing us into the false dilemma I have already mentioned. However, this uncertainty is also connected with the fact that, if we want to assert our idea for the joint state and not break it up, then it is essential to find the time to do so. The republic's internal restructuring is better formulated within a certain time frame. In the opposite instance, there is a real threat of the worst-case scenario as we have become used to calling the report on the economic consequences of the CSFR's possible breakup into two independent republics.

[Janosko] In the Slovak Government's view, what immediate steps should be taken to prevent the federation's break up?

[Carnogursky] First and foremost, we want to draw the negotiations between the National Councils' presidia to a conclusion; the result of these negotiations should be a federation. The agreement between the presidia is incomplete in two points. The Czech side does not want to agree to the conclusion of a treaty between the two republics. It is only willing to agree to a treaty between the National Councils as a treaty on a joint legislative initiative regarding the Federal Assembly. This is one stumbling block.

The other stumbling block concerns jurisdiction. The Czech side wants to expand the range of joint jurisdiction even further. This second problem could also be resolved. However, it requires a concession from the Czech side, which—and let me emphasize this—was hardly affected by the proposal made by President V. Havel to the Federal Assembly. If these negotiations can be drawn to a conclusion, everything would be in order and the CSFR would remain a federation. If the opposite happens, we will have no other choice but to propose a freer union, let us call it a confederation, and the KDH would enter into the election campaign with this proposal. We are of the opinion that such a solution would be approved in a referendum.

[Janosko] Can this be regarded as a chance to save the federation?

[Carnogursky] First and foremost, it is necessary to find time. Therefore, deadlines should not be set in such a categorical and conditional manner. In this connection, let me say that the Czech side confronted us with a deadline when it said that the budgets had to be agreed upon by 16 December at the latest.

If you will permit, I will return to the budgets. It is true to say that we in Slovakia did not attach such great significance to this issue as the Czech Government and the Czech National Council. We repeatedly hear from the Czech side that the Czechs are paying for Slovakia. I will return to this, however, I want to remind you that the Czechoslovak economy has been constructed as a single Czechoslovak economy for 70 years. The decisive authority in strategic macroeconomic issues was always the federal or unitarian government. Thus, an economic structure was developed in which the armaments and heavy industries were mostly located in Slovakia. Primary production predominates here, and products are sent to the Czech lands for final assembly.

The taxation structure in our country is such that we do not, in fact, have a value added tax. We pay turnover tax at the end of the production process. Primary production is in Slovakia, the semifinished products are sent to the Czech lands, the final product is assembled, and the tax is paid—in the Czech lands. This means that the Czech Republic's tax revenue is higher than Slovakia's. Similarly, the majority of joint enterprises that supply the entire state are in the Czech lands, or rather, in Prague. For example, the most lucrative of these enterprises is the Transit gas pipeline. Its headquarters are in Prague and it pays huge taxes into the Czech budget and not the federal budget. The large profit it makes remains profit for the Czech enterprise. Many enterprises based in the Czech lands also have plants in Slovakia in which—that is, in Slovakia—150,000 people work. This means that all the profits and taxes from these productive Slovak plants flow into the Czech or federal budgets. Levies from wages are also involved here. Fifty percent of the levies from the wages of the aforementioned 150,000 workers flow into the Czech budget.

Thus, a large disproportion has arisen between tax revenue from the Czech lands for the Czech or federal budgets and tax revenue from Slovakia. The exact distribution of taxes is unthinkable under the current taxation system. Value added tax will be paid in our country as of 1993, that is, more control should be exercised over the aforementioned situation. So far, this is not the case and so, within the framework of the budgets, money is transferred through the federal budget to Slovakia, money produced in the Czech lands. And in Slovakia we still have to listen to how the Czech Republic is paying for Slovakia.

If no agreement had been reached on the budgets, Slovakia would simply have been incapable of guaranteeing expenditures on the federal level, and we would have to have said unequivocally that Slovak enterprises are ending this practice and employees in Czech enterprises employed in Slovakia would have to pay tax into the Slovak budget. Quite simply, we would have directed all the resources produced in Slovakia into the Slovak budget, and then we would only have paid for some of the federation's joint expenditures. However, again it was the Czech Government that disagreed with the budget agreed among the finance ministers.

[Janosko] Can privatization also be included here?

[Carnogursky] Yes. Privatization is being organized by the federal Finance Ministry in accordance with the single scenario we approved. Large-scale privatization should begin on 1 January next year. However, the Czech Government first decided unilaterally to postpone it for two months, and then for ten weeks. The Slovak side was simply presented with a fait accompli. That is, large-scale privatization will begin on 16 March, which is very unsuitable because it prolongs the period of uncertainty in enterprises. However, we are ready and want to begin large-scale privatization as soon as possible.

In view of what I have just said, I want to emphasize that we must not dramatize our domestic disputes, and we must not pressure each other into quick and hasty solutions. First and foremost, each republic should concentrate on itself and, of course, should respect nationwide solutions in accordance with the valid constitutional situation. It is obvious for the future that one republic is incapable of forcing a solution on the other republic. Although such coercion is impossible, long-lasting disputes are breaking out, and there is no power capable of resolving them. In this case, I see the only solution in lessening joint jurisdiction, which will also lessen the reasons for the disputes.

[Janosko] Mr. Prime Minister, thank you for the interview.

Kilogram of Uranium Concentrate Reported Stolen

AU1812124591 Prague MLADA FRONTA DNES in Czech 16 Dec 91 p 3

[CSTK report: "What To Do With the Uranium?"]

[Text] Rozna—An unknown perpetrator appropriated one kilogram of uranium concentrate from the Diamo Chemical Processing Plant of the Uranium Industry in Rozna (District Zdar nad Sazavou). The police assert that the concentrate does not pose any danger to life, and is not harmful to health.

EC Statement on SFRY Republics Welcomed

LD1812184991 Budapest MTI in English 1752 GMT 18 Dec 91

[Text] Budapest, December 18 (MTI)—The Hungarian Ministry of Foreign Affairs on Wednesday [18 December] sent a statement to MTI welcoming the EC communique about the recognition of the Yugoslav republics.

The document states that it would be desirable for members of the community of nations to recognize the sovereign republics as a major step on the road leading to peaceful settlement.

The Visegrad trio (Poland, Czechoslovakia, Hungary) will continue to keep in contact on the affair and urge an end to the destructive armed conflict.

SFRY Refugee Problem Viewed

LD1812213391 Budapest MTV Television Network in Hungarian 0630 GMT 17 Dec 91

[Text] Hungary is wrestling with serious problems because of the refugees from Yugoslavia and would like Belgrade to share in solving the problem. At his briefing yesterday the state secretary of the Interior Ministry was of the view that a refugee zone should be set up along the border, but on the other side, in other words still on Yugoslav territory, and thus people fleeing from their homes could stay in their own country.

[Begin State Secretary recording] The advantages of this solution are shown by the Gulf War, where it was possible, indeed, to keep hundreds of thousands of Kurds within the borders of Iraq. The Hungarian government would also face an insoluble situation if towns with several tens of thousands of inhabitants were to be emptied as a result of a greater act of war and if we had to face this. [end recording]

Today, incidentally, Hungary has some 65,000 refugees on record; of these 42,000 have come from Yugoslavia. The refugee affair is at the same time a political issue as well, the state secretary said, because in Yugoslavia we can observe an intention of making the return of the refugees impossible. Thus, while the overwhelming proportion would still like to return home, if circumstances permit, more and more Hungarian-speaking refugees are asking to be settled here. The government's draft measure for a disaster refugee situation is already being prepared, although, according to the Interior Ministry, we do not have to fear this either on the Yugoslav or Soviet border.

Jeszenszky on Nature of Agreement With Germany

LD1812222491 Budapest Kossuth Radio Network in Hungarian 2100 GMT 18 Dec 91

[Report from Bonn by correspondent Gyorgy Bernath, including recorded remarks by Foreign Minister Geza Jeszenszky on signing of German-Hungarian agreement]

[Text] [Bernath] What was the purpose of concluding an agreement on friendly cooperation and European partner relations, I asked Foreign Minister Geza Jeszenszky in Bonn. He said that treaties solving historic tensions have to be distinguished from those behind which there are no such painful memories. The Hungarian foreign minister justified the agreement partly from the interests of European security.

[Jeszenszky] During the preparation of this agreement, several countries found that it would be useful if a kind of network evolved. Several countries, neighboring or regional ones close to each other, conclude agreements which would either solve certain old arguments or—and the Hungarian-German treaty belongs to this latter category—point out the road for the future.

[Bernath] So according to this, the Hungarian-German treaty fits into the system of other similar agreements and after all, when enacted, they will also become part of the European security system. Thus they will form some sort of security net, this is what I asked, and the foreign minister accentuated this.

[Jeszenszky] Yes, this is so. Although I do not think that the European countries will conclude this kind of agreement with each other left, right, and center, quite a number of agreements of this kind will come about; in a region where, after all, two world wars were fought, there is the greatest necessity to strengthen the security structure, or to lay an important corner-stone for this building.

Foreign Ministry Spokesman on Ties With NATO

LD1912112891 Budapest MTI in English 0905 GMT 19 Dec 9i

[Text] Budapest, December 19 (MTI)—"Hungary would like to establish as close and as meaningful cooperation with NATO as is possible," said Janos Herman, spokesman of the Hungarian Foreign Ministry, in an interview carried in Thursday's [19 December] issue of the daily "NEPSZABADSAG".

Herman made the remarks in connection with the founding session of the North Atlantic Cooperation Council, scheduled to be held in Brussels on Friday [20 December]. Foreign ministers of the 16 NATO member states and nine central-eastern European states, including Hungarian Foreign Minister Geza Jeszenszky, will be present at the session.

"The presence of NATO, and its activity, is a firm point in Europe and it has a major role in ensuring that the changes and transformations on our continent take place amidst the circumstances of international stability. The existence of NATO in itself has a considerable effect on our region.

"It is natural that the 16 member states, and the organization itself, will decide about the role NATO will accept

in regions which are outside its scope of activity from the formal aspect. Budapest strives to develop relations in two ways. On the one hand, in the framework of the Hungary-NATO relation: The partnership that has come about is of outstanding importance and will continue. On the other hand, the founding of the North Atlantic Cooperation Council is—according to our official formulation—the first major step on the road to institutionalising relations between the central- eastern European region and NATO," Herman said.

Kadar Predicts 'Turning Point' in Foreign Economy

LD1912040191 Budapest MTI in English 1825 GMT 18 Dec 91

[Text] Budapest, December 18 (MTI)—"Next year will be a turning point for the Hungarian foreign economy," Minister of International Economic Relations Bela Kadar told the press today.

"Today the former Comecon countries account for no more than a sixth of Hungary's total exports worth 8.2 billion dollars, and this ratio cannot decline further," Kadar said, expressing his hope that Hungary can join in Western relief programmes destined for the Soviet Union.

Exports to former Comecon countries are expected to drop by 2 billion dollars by the end of 1991, while sales to the West rose by 18 per cent, Kadar said. Overall dollar exports, including Comecon deliveries, are 31 per cent higher than last year. Sales to EC countries were 30 per cent higher than last year, and to Germany 37 per cent.

Growing exports are expected to make their effects felt in the last quarter of 1992, Kadar said and added, "we may possibly reach the present Austrian level by 2015."

Consumption Tax, Price Subsidies Bill Approved

LD1912035391 Budapest MTI in English 1459 GMT 18 Dec 91

[Text] Budapest, December 18 (MTI)—On Wednesday [18 December], the Hungarian parliament enacted a law on consumption tax and consumer price subsidies.

The law eliminates consumer price subsidies in all fields but passenger transport.

Parliament refused to authorize the government to determine the consumption tax within its own jurisdiction, and retained that right for itself. In 1992, consumption taxes will be levied on alcoholic beverages, objects made of precious metals, diesel oil, petrol, some cosmetics, playing cards, chewing gum, chocolates, coffee and tobacco.

Land Tax Law Enacted

LD1912035891 Budapest MTI in English 1437 GMT 18 Dec 91

[Text] Budapest, December 18 (MTI)—On Wednesday [18 December], the Hungarian parliament enacted a land tax law.

As State Secretary of Finance Tamas Szabo put it, the law is designed to introduce a uniform taxation of land property and guarantee a stable revenue for the state. Without imposing any extra burden on farmers, the law is expected to contribute to more efficient cultivation, Szabo said.

The amount of tax depends on the quality of land and the branch of cultivation. For instance, forests are exempt from taxation.

Private entrepreneurs who began cultivating former coop farm plots after January 1, 1990 or were given a plot under the compensation law are granted a three-year exemption from taxation.

Laszlo Surjan, minister of social welfare, delivered a keynote address concerning the 1992 draft budget of the social security fund. The minister said the financial systems for old-age pensions and sickness insurance would be separated from one another next year. He added that pensions, child-care benefits and maternity benefits would increase next year. The government proposes that the costs of the first 25 days on sickness leave should be financed by the employers and the entrepreneurs. The minister added that an increase in social security contributions would be another feasible option.

The keynote address triggered off criticism from a number of MPs. Gabor Balogh (Christian Democratic People's Party [CDPP]) criticized parliament for what he termed as its lack of sensitivity to social-welfare issues. (The CDPP is a governing party headed by the minister of social welfare). The Christian Democrats, Balogh said, insist that social security should comprise all Hungarian citizens rather than based on employment. The deputy criticized the current scheme of social security for ignoring half a million people and favouring the rich.

Parliament is to resume the debate on the draft social security budget in the days to come.

Military Industry Office Formed

LD1812035691 Budapest MTI in English 0849 GMT 17 Dec 91

[Text] Budapest, December 17 (MTI)—Setting up the military industry office, which the government decide about last week, will not increase the planned expenditures of the 1992 budget, said titular Secretary of State Jeno Laszlo, president of the office, in answer to a question by MTI.

The sources necessary for operation will be regrouped from the ministries that were engaged with military technology to date. Initially, the office will have a staff of 8-10 experts.

The office will mainly aim at enabling Hungarian military industry to participate in updating the obsolete technology of the Hungarian Armed Forces. The production value of the military industry was 20 billion forints several years ago, and the branch employed 20,000 workers. By today, the production value and the number of employed have both declined considerably, mainly due to the collapse of the eastern markets.

Hungarian electrotechnology, precision engineering industry and the vehicle industry are all able to meet a considerable part of the development demands of the Hungarian Armed Forces, and to deliver both hand and artillery weapons.

One of the tasks of the new organization will be to promote the transformation of production at firms earlier engaged with military technology to civilian aims. It counts on foreign assistance to this end, and officials of the United States have already offered to transfer their related experiences.

Kupa Discusses Economic, Political Issues

AU1912095691 Budapest NEPSZABADSAG in Hungarian 14 Dec 91 p 21

[Interview with Finance Minister Mihaly Kupa by Gyorgy Such; place and date not given: "There Is No Fair Play, There Is No Friendship—Politics Is a Completely Different Matter"]

[Excerpts] Mihaly Kupa has been leading the Finance Ministry for one year. On this occasion, he gave an interview on the most important events of this period and on current economic and political issues. [passage omitted on appointment, attitude toward compensation and churches]

[Such] You almost resigned in the summer because the government's attitude was too lenient toward the trade unions' strike threats. Can you please review those events, especially since the trade unions are planning similar actions now?

[Kupa] I have a basic principle that I also mentioned at the latest session of the Interest Coordination Council. Holding discussions with the government is not one of the tasks of trade unions. I still do not understand why I have to discuss the tax- free minimum or the family supplement with the trade unions. This is not their "business!" The whole tripartite discussion is a bad structure that was handed down. I am against the formation of a corporation system in Hungary because that would limit the parliament's authority. [passage omitted]

As for the latest events, this is a strained situation because the laws that the trade union wants to change are in front of Parliament. I am in favor of public and social peace, therefore, we should avoid conflicts whenever possible, but this cannot be done at the expense of upsetting the macro-economic balance or creating a redistribution that results in inflation for others (entrepreneurs or "the rich").

[Such] Not long after you expressed your intention to resign, whose idea was it that you should run in the parliamentary by-elections with the support of the biggest government party?

[Kupa] By May I realized that it did no harm to have the mandate of a deputy, if one did not have any political background or was not a member of any political parties. Withdrawal was not the intention, but to avoid being handled so very easily. [passage omitted]

[Such] Although your victory in the elections gained a considerable amount of political capital for the government and the Hungarian Democratic Forum [MDF], your scope of activity within the government did not appear to increase. Openly or clandestinely, did this deal lie behind the whole affair?

[Kupa] In my opinion, one person, the prime minister, appraised my victory in the correct style—he telephoned me at home and congratulated me. In his opinion, I was a real finance minister now. I am convinced, however, that many MDF members were unhappy about this affair because I "outgrew" the limit that was bearable for them.

As for strengthening my position, I do not know if you noticed that even people who had always only talked about the collapse of the economy started to make optimistic reports. I do not, of course, agree with this either, but economic policy became easier in this respect. People started to say that there was some stability in the economy. Naturally, everyone tried to attribute this to his own efforts. You may have observed that every week brought a new press conference to announce the "successes" of someone. [passage omitted]

[Such] As far as I know, several members of your advisory body signed the letter written to the parliamentary deputies, in which well-known financial experts called attention to the importance for Hungary of an independent central bank that represents a high level of expertise. What is your opinion on the personnel changes that ensued?

[Kupa] At the time, I did not choose my advisers according to their party political affiliations. I would not do any differently today. Consequently, they sign what they want. I remind you that I was kind enough to put forward, in agreement with [then chairman of the Hungarian National Bank] Gyorgy Suranyi the bill on the central bank that was passed by Parliament after a lot of fuss. The independence of the central bank is institutionally confirmed in Hungary today. [passage omitted on

dismissal of Suranyi from the National Bank] The Hungarian economy cannot be made dynamic through financial measures, because it will go bankrupt. It is also true that in his capacity as industry minister, Akos Peter Bod has never asked me or the chairman of the central bank to give exceptional treatment or favors to any industrial enterprises. As far as I can see, he has given up on a career as a politician, therefore, hopefully, he will not give in to temptations. If he does, then that would cause trouble because it would destroy the country. There are many such ideas, within the government and especially outside the government. They suggest greater deficits, greater growth, and more comfortable distribution—but this means the death of the country.

[Such] Let us talk about the budget. It is surprising and perhaps unprecedented that four permanent parliamentary committees found the bill unsuitable for general debate. Considering the fact that government parties have majorities in these committees, do you suspect that the rejections were some sort of offensive moves by the MDF?

[Kupa] [passage omitted] I was rather shaken by the fact that the Constitutional Committee did not support one of Hungary's most important bills. I was shaken for two reasons: First, the deputies of government parties did not turn up at such an important committee meeting, and second, the votes of the coalition party members also contributed to putting forward an opposition speaker. There can be two outcomes: If we manage to make this whole budget debate and, more generally, our line of the economic policy accepted, that will be the success of the coalition; if we do not, then people will say that the finance minister was not even capable of this. I know this and I will go through with it. If I fail, I fail, but I am not a loser. Nevertheless, I agree with much of the criticism. We are being delayed, but this delay is partly due to the fact that the government cannot make decisions on many issues. Parliament dealt with other issues for a long time. I accept that the transformation of the big distribution systems is delayed, but now, I am mainly interested in securing the conditions for the economy's development or operation by the end of 1991. [passage omitted]

[Such] The MDF will hold its national meeting over the weekend. Although you are not an MDF member, you are nevertheless a member of the faction. What do you expect from this meeting?

[Kupa] My opinion is that social dissatisfaction cannot be worked off by providing political justice. The economy has to be democratized. We need a strata of proprietors with equal opportunities, and then there will be democracy. I say that privatization should be speeded up because I am after stability, not money. This is one point. The other is that a party should have an ideology. Perhaps, however, in that case, the actual economic matters must be left to the government since trust was placed in this government. The government should be controlled through parliament!

[Such] What kind of attitude would you have if your work as a minister was aided somewhat by various statements of the presidium or the general committee?

[Kupa] I would not accept that. Do not help my work! The ideologies exist. Parties can state that the activities of a government do not correspond to their ideology. They should state this openly, however.

[Such] Thank you for the interview.

New Unemployment Statistics Published

AU1812134391 Budapest MAGYAR NEMZET in Hungarian 17 Dec 91 p 9

[MTI report: "Oppressive Unemployment"]

[Text] According to not-yet-official data, the labor exchange offices in Hungary registered 351,000 unemployed at the end of November. The number of people receiving unemployment benefits stood at 273,000. There were only four jobs per 100 unemployed in November. The unemployment rate in Hungary is 7.3 percent. Unemployment is exceptionally high in Nograd County (14 percent), Szabolcs-Szatmar-Bereg County (13.9 percent), Borsod-Abauj-Zemplen County (12.2 percent), Bekes County (10.8 percent), and Jasz- Nagykun-Szolnok county (10.5 percent). The unemployment rate in Budapest is relatively low and stands at 2.4 percent.

Some 32 people at the start of their career were unable to find jobs at the end of November, and they make up more than 9 percent of the overall number of unemployed. Most unemployed at the start of their career were registered in Gyor-Moson-Sopron, Zala, and Vas Counties.

Radio-102 Banned Due to Violation of Contract

LD1812230491 Budapest Kossuth Radio Network in Hungarian 1600 GMT 18 Dec 91

[Text] The recently launched Radio-102 station has been banned because, in contrast with the original licence, it has been transmitting Hungarian-language programs on the frequency of Radio Bridge. The Frequency Management Institute has stressed that, according to the broadcasting licence, the station can only transmit English-language programs under the name Radio Bridge. Because of the violation of contract, the radio licence is to be withdrawn and the station closed.

Olszewski Asks Sejm To Decide on Resignation

LD1812143491 Warsaw Radio Warszawa Network in Polish 1238 GMT 18 Dec 91

[Speech by Prime Minister-designate Jan Olszewski to the Sejm session in Warsaw—live]

[Text] Mr. Speaker, Ladies and Gentlemen:

Two weeks ago, I received a nomination from the president of the Polish Republic for the post of prime minister. I did not ask for this nomination. Frankly speaking, I did not even have an opportunity to ask for it. This chamber granted me a mandate. I was trying to do my best—the best I could, as fast as I could—to fulfill this mandate, because I realize, I realized [corrects himself] what the country's situation was, how very much at this moment, as soon as possible, this country needs a stable, efficient government.

Here I am, standing before you with a feeling of unfulfilled duty, although—as I have said—I tried to do my best to fulfill it. I think the concept I imagined at the outset of my attempts was the correct one. It was a concept of a government that clearly had to have political support, defined political support, in this chamber, but also one that, at the same time, would express not only party and particular ambitions, but a government that, in a sense, was above parties, a government of social trust. I tried as much as possible, as hard as I could, to form such a government. I will not conceal the fact that, in the process, I encountered obstacles that I did not expect.

It happened that people on whom I had greatly depended withdrew their candidacies under the influence of persuasion and talks—to avoid using words of another kind of definition—often putting me in a very difficult situation. But I am not saying this to complain, or to justify the time it took to carry out my actions. In the end, I believe that I managed to draw up a list of candidates for the future government in the time allotted to me by the Sejm Presidium, and I also managed to prepare my program description. I was ready to carry out that duty.

I do not deny that certain misunderstandings hampered me. I believe they were misunderstandings, and they made me doubt at a certain moment my acceptance of the basic principle—that this government had to be a government enjoying the confidence of this chamber above all, if that principle could be maintained [word indistinct]. I do not deny that although I spoke of a government above parties—although it was clear that it was to be a government in a certain sense, perhaps these words are overly optimistic, an authors' government—it was to be a government of personalities. I maintained the position, and I maintain it today, that the stable, legal government needed in Poland had to be supported with the trust of the chamber, this chamber, and must always and in every situation call on that trust.

Esteemed chamber, today you are going to vote on the resignation I have submitted. I offered my resignation in view of a situation in which it seemed to me I had the president's clearly defined, resolute opinion on the subject of my efforts. The president's statement here yesterday introduced, as it were, a certain level of changes and (?doubts). (?In such a situation) I must put the decision in your hands: I will accept any decision this Chamber makes. [applause]

I must state, however, that two issues must be clear. First, the government that will be created—whoever will be forming it—and constituted by this Chamber—and I stress—must receive the approval of the president of the Polish Republic. A conflict on this axis—a conflict over the government between the two highest authorities in this country, which equally enjoy a universal electoral mandate—would mean disaster for the country.

Second, the political base upon which I depended as I began my efforts to form the government turned out to be unsatisfactory and insufficient. This is what I would like to make clear. A new formula must be adopted for this new government, whoever will be forming it. I think that all political forces, not only democratic ones, but serious political forces represented in this Parliament should have the participation [corrects himself] should accept participation in the creation of this new formula. If these two premises can be fulfilled, then the government which this country has been expecting can be formed.

Ladies and gentlemen, deputies, you will judge whether I can still be used to create such a government. Thank you very much. [applause]

Sejm Refuses Resignation

LD1812150791 Warsaw Radio Warszawa Network in Polish 1440 GMT 18 Dec 91

[Statement by Sejm Speaker Wieslaw Chrzanowski to the Sejm session in Warsaw—live]

[Excerpts] Who is for the acceptance of the resolution formulated by the Sejm of the Polish Republic, as a result of the resignation submitted by the chairman of the Council of Ministers, on the basis of Article 37, Paragraph 1 of the Constitution—the resolution recalling Jan Olszewski from the post of chairman of the Council of Ministers? [passage omitted]

[Word indistinct] announcing the results of the voting. Taking part in the voting were 419 deputies; the absolute majority is 210 deputies. One hundred thirty-two deputies voted for the resolution to recall, 214 voted against the resolution [applause], and there were 73 abstentions. I state that, as a result of the vote, Jan Olszewski, chairman of the Council of Ministers, has not been recalled and that his mission [applause drowns out remaining remarks].

Olszewski Thanks Deputies

LD1812160991 Warsaw Radio Warszawa Network in Polish 1528 GMT 18 Dec 91

[Speech by Prime Minister-designate Jan Olszewski to the Sejm session in Warsaw—live]

[Text] Mr.Speaker, may it please the House! I desire to now thank you for the confirmation of my selection. I am aware of the fact—I am now fully aware of the fact—of how very difficult the mission that I have undertaken is. But I will strive to bring it to a successful conclusion.

I know that time is precious. That is why I wish to commence the talks associated with the formaton of my new cabinet almost immediately. I will be conferring with the President even today. I wish to start with those matters that I feel to be the most important, with the clarification of all the essential problems between the President and the head of the future government. I want to hear the wishes of the President, and his stance associated with the form and shape of the future government. At the moment, when I will be carrying on talks with you, I would want this matter to be already clear.

Simultaneously, I would like to tell you that I want the government that I will form to have the widest possible political support in this chamber. I will be carrying on talks with the leaderships of the parliamentary clubs in this direction and in this fashion. Thank you very much. [applause]

Party Leaders View Issues

LD1812234491 Warsaw Radio Warszawa Network in Polish 1800 GMT 18 Dec 91

[Excerpts] The rejection of Prime Minister Jan Olszewski's resignation by the Sejm was decided at talks held during the night, the result of which was that the Polish Peasant Party [PSL] decided to support the center-right coalition, and the Confederation for an Independent Poland [KPN] decided to abstain from voting. This also worked in the prime minister's favor. [passage omitted]

What induced the PSL to support the prime minister? The leader of that party, Waldemar Pawlak:

[Begin Pawlak recording] In our situation, what was decisive, above all, was to find a solution based on a stable foundation in Parliament and, at the same time, was not (?in conflict) with the president. We are convinced that such a solution is possible, if we base ourselves on parties standing at the center of the political scene.

We are not, at this moment, talking about posts here. I believe that what is more important is to overcome the crisis around the formation of the government and generally, the crisis in the functioning of the supreme state bodies, including the Sejm. [end recording]

The KPN parliamentary floor group abstained in the vote. Does this mean that it continues to see itself in a center-right coalition? [KPN leader] Leszek Moczulski:

[Begin Moczulski recording] Mr. Olszewski was our (?favored) candidate for prime minister, and we did everything to prolong his mission. At the same time, as you all noticed very well, ladies and gentlemen, a new coalition of five has now arisen, and this transpires from the voting: the three peasant groups, the Christian National Union parliamentary floor group, and the Center Alliance. (?No), we are not in this coalition of five. What coalition arises for the formation of a government—I have said here perhaps three, perhaps four, up to eight [sentence as heard]. [end recording]

The Democratic Union [UD] initially decided to vote for the resignation of the prime minister. However, just before the vote, when Jan Olszewski proposed widening his coalition, voices were heard inside the Union that this proposal should be accepted. In the end, the Union voted for Prime Minister Olszewski's resignation. Despite the prime minister's suggestions, Bronislaw Geremek told us that he Union does not intend to enter his government.

[Begin recording] [Geremek] It is difficult to imagine the UD entering a coalition that was created against it. However, we are making the possibility of support for the program dependent upon what it contains. We may not be in the government make-up, but if it is a good program, we will support it.

[Reporter] The PSL chairman states that his party would be able to enter into a coalition, on the one hand with the Center Alliance (PC), and on the other with the UD. What is your reaction? He states that only this government would stand a chance.

[Geremek] This is an interesting political vision, and I think that we will have to think more about it than we have up to now. [end recording]

Democratic Left for Resignation

LD1812135491 Warsaw PAP in English 1012 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—Deputies of the Democratic Left Alliance (SLD) met at a closed session here Wednesday morning to discuss questions concerning the resignation of Prime Minister Jan Olszewski to be examined by the Sejm (lower house) today.

Spokesman for the SLD parliamentary floor group Marek Siwiec told reporters that SLD MPs [members of parliament] would vote for Olszewski's resignation which, he said, was logical as the SLD had previously been against Olszewski's appointment to the post of prime minister.

Olszewski Presents New Government Idea to Walesa

LD1812201191 Warsaw PAP in English 1943 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—President Lech Walesa received Premier Jan Olszewski at the Belvedere Palace tonight.

Presidential Spokesman Andrzej Drzycimski said that the premier presented the concept of the formation of a new government.

According to Drzycimski the president pointed to the new political situation which emerged after the Sejm had

rejected the resignation of Olszewski. The former also declared all-round help in the work on the formation on the cabinet.

Olszewski Claims Walesa's Support

LD1812225391 Warsaw PAP in English 2013 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—Prime Minister Jan Olszewski stated that President Lech Walesa had declared full support for the formation of a new government, as well as for its further functioning, when the two men met at the presidential palace on Wednesday afternoon.

Olszewski said that he and the president had agreed that the new government should be formed as soon as possible. He reaffirmed his view that the new government should be created on an above party, individual basis and whose members should possess moral authority. He added that he would try to present the programme of the new government on Saturday.

Olszewski Discusses Issues of Forming Government

LD1812231291 Warsaw TVP Television Network in Polish 1830 GMT 18 Dec 91

[Interview with Prime Minister Jan Olszewski by unidentified reporter at the Sejm building in Warsaw on 18 December—recorded]

[Text] [Reporter] A few minutes ago, you said that the government should have the broadest possible base. Which particular groups would you like to participate, to widen the coalition?

[Olszewski] At the moment, I do not set any formal framework whatsoever for the coalition. One thing is certain, it should be a broader base than the one we had in our first attempt, which, as everyone knows, did not last the course because some groups left the five, and their departure greatly contributed to delays in work on forming the government.

[Reporter] Among others, the Polish Peasant Party voted to reject your resignation. Do you see a place for this party in a future government?

[Olszewski] I think that such a way of voting creates, in itself, a certain natural direction to which I should turn in my search for widening the coalition.

[Reporter] Do you think that the president will be able to accept a government, any government formed by you?

[Olszewski] I am going to talk about this. The president made some statements yesterday, which seemed to me to create an important condition for substantive talks on the issue.

[Reporter] Are you not affraid that the result of the voting means the continuation of the conflict between you, a government you have been forming,the parliamentary majority and the president?

[Olszewski] Well, most political groups that voted for me today were familiar with a report on yesterday's meeting of the president with the Council of Elders. I think that the president's stand conveyed yesterday had its effect on today's voting result.

[Reporter] You said in your speech that people had been resigning from participating in your government under persuasion, not to use stronger words. Could you use stronger words?

[Olszewski] I think that they were suggestions—which worked—coming from persons to whom candidates for my cabinet should pay serious attention.

[Reporter] Could you tell us which persons are involved?

[Olszewski] You know, I would rather not elaborate, at this moment, as I still count upon the assistance of those people in a future cabinet. I admit, I was very anxious to have some of them in my government.

[Reporter] Are you talking about persuasion from the president, from the Belvedere Palace?

[Olszewski] As I said, I would rather not give clear addresses here, as it could hinder the talks. For the moment, the most important issue is to finalize the formation of the government. This is in the state's interest, and it is the fundamental issue.

[Reporter] Last time, you gave yourself a week. How long do you need now?

[Olszewski] It is difficult to set any length of time. I would like, and I am going to talk to the Sejm Speaker in a moment, to reserve a date before Christmas for presenting my government and a program before the Sejm.

Walesa Withdraws Draft Constitutional Law

LD1912133991 Warsaw PAP in English 1243 GMT 19 Dec 91

[Text] Warsaw, Dec. 19—President Lech Walesa withdrawn on Thursday his draft of a constitutional law concerning the appointment and resignation of government and other changes relating to supreme state bodies.

In a letter addressed to the Sejm (lower house) speaker President Walesa wrote his decision was motivated by the fact that the results of the extraordinary committee's work on the draft were not concordant with his intentions and the document's main idea was lost in the process.

Foreign Ministry Supports EC Stand on SFRY

LD1812231191 Warsaw PAP in English 2156 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—The Polish Foreign Ministry Wednesday expressed Poland's support for the European Communities' stand concerning new East European states and the Yugoslav crisis.

In its statement issued here the Polish Foreign Ministry referred to the declaration of the EC Council of Ministers on recommendations regarding the recognition of new states emerging in Eastern Europe and in the Soviet Union, and the declaration on Yugoslavia, both documents dated December 16.

As regards the Yugoslav crisis, Poland is in regular contact with Czecho-Slovakia and Hungary. These three countries have coordinated their approach to the issue, the Polish Ministry declared.

In the opinion of the Polish Foreign Ministry the United Nations, the Conference on Security and Cooperation in Europe, the European Communities and The Hague conference should continue to enjoy full support in their pursuit to reach a general solution of the crisis. Poland assumes that the stand of the European Communities favours such a solution and is of the opinion that everything should be done to help international organizations to accomplish their mission.

Poland condemns the use of armed force against Croatia by the federal troops and does not accept facts accomplished through armed acts, the Polish Foreign Ministry declared.

Border Cooperation Agreement Signed With Ukraine

LD1812225691 Warsaw PAP in English 2132 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—An agreement on border cooperation between the Ukrainian and Polish border regions was signed in Tomaszow Lubelski, south-east Poland, Wednesday.

The agreement, which follows the accord on trade and economic cooperation signed between the Polish and Ukrainian Governments last October, speaks of creating conditions to encourage the development of economic, cultural and scientific cooperation in the border areas, but above all in agriculture and food industry.

Duty-free zones and bonded warehouses will be set up in future, as well as joint ventures, commerce chambers, commodity exchanges and financial institutions.

Foreign Ministry Stresses Relations With East

LD1812220391 Warsaw PAP in English 1935 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—"Poland attaches the utmost importance to establishing of friendly relations with all its Eastern neighbours", reads a communique issued Wednesday by the Polish Foreign Ministry on Polish relations with the Russian Federation and the Republic of Belarus. "Relations that Poland has been maintaining with both republics are based on the declaration of friendship and good neighbourly cooperation signed between Poland and the Russian Federation and the declaration of good neighbourly relations, mutual understanding and cooperation signed by Poland and the Republic of Belarus. Following previously declared Polish readiness to establish diplomatic relations with both republics, Poland is reiterating its intention to strengthen relations with the Russian Federation and the Republic of Belarus also by exchanging diplomatic representatives with these republics."

Continuation of Soviet Army Withdrawal Reported

LD1912032591 Warsaw PAP in English 1029 GMT 18 Dec 91

[Text] Warsaw Dec. 18—Between April and November 1991, 4387 Soviet soldiers left Poland taking away 186 tanks and personnel carriers, and 2,109 vehicles, governmental plenipotentiary for stationing Soviet troops in Poland, General Zdzislaw Ostrowski said Tuesday.

The Polish authorities have taken over 100 buildings and 35,000 hectares of land left by the withdrawing Soviet Army.

In November, 3 combat and 27 logistic transports crossed Poland as part of the Soviet pull-out from former East Germany.

Statistical Office Releases Economic Figures

LD1912035191 Warsaw PAP in English 2131 GMT 18 Dec 91

[Text] Warsaw, Dec. 18—The average industrial production this year against 1990 declined by 15 percent, while retail prices rose by 70 percent, Krzysztof Lutostanski, deputy president of the Main Statistical Office (GUS) told newsmen here on Wednesday.

In foreign trade GUS expects a surplus of about one trillion zlotys (some 90 million US dollars) by the end of this year.

Also, exports will fall by 8.5 percent while imports will rise by 27 percent, compared to 1990.

But the results of economic data gathered in November show that the falling tendency in economy seems to recede. The same happened in the third quarter of last year but unfortunately it was not a lasting trend, Lutostanski claimed.

He said that the average daily industrial output grew by 5.9 percent last October against the same month of 1990, a growth recorded in the fourth month running.

The budget deficit rose in November by another 2.6 trillion zlotys (220 million dollars) totalling by the end of this month to 29.3 trillion zlotys or 2.7 billion dollars.

Foreign Minister Views Moldovan Reunification

LD1712175191 Berlin ADN in German 1500 GMT 17 Dec 91

[Text] Berlin (ADN)—In the opinion of Romanian Foreign Minister Adrian Nastase, the unification of Romania with the former Soviet Republic of Moldova should take place according to the example set by German unification. Nastase said this in an interview with BERLINER ZEITUNG (Wednesday's edition), without committing himself to a date.

With regard to the future of the Russian-dominated territories east of the Dnestr, which have never belonged to Romania, the Romanian foreign minister spoke out in favor of three-way negotiations between Ukraine, Moldova, and Romania. He expressed the opinion that former Romanian territories would once again be annexed as a result of the recent independence referendum in Ukraine. Kiev has also taken on obligations from the former USSR with regard to these territories.

The Romanian foreign minister spoke in favor of drawing up a basic treaty with Hungary. This should include a clause with regard to the borders, as had been laid down in the German-Soviet treaty.

Foreign Ministry Comments on Current Issues

AU1812195891 Bucharest ROMPRES in English 19709 GMT 18 Dec 91

[Text] Bucharest ROMPRES, 18/12/1991—The Romanian Foreign Affairs Ministry welcomes the signing in Seoul on December 13, 1991, of the reconciliation, non-aggression, cooperation and exchanges accord between North and South Korea, the ministry's spokesman Ambassador Traian Chebeleu told a news conference on Wednesday, December 18.

The accord marks a positive development of the relations between the two countries and is a real prerequisite for detente, so much needed in the Korean peninsula. Through its principles and clauses, military ones included, the accord lays the basis of a process of detente, favouring understanding, mutual confidence and national reconciliation, the Romanian Foreign Ministry's spokesman said.

Romania's Ministry of Foreign Affairs welcomes the decision of the UN General Assembly of December 16, 1991 concerning the annulment of resolution No.3379/1975 which assimilated Zionism with racism, Traian Chebeleu, Foreign Affairs Ministry spokesman, stated during the weekly press conference of December 18. After showing that the respective resolution had proved harmful for the dialogue and peace process in the Middle East, negatively affecting the UN capacity of action in settling conflicts in general and the Arab-Israeli one in particular, Mr. Traian Chebeleu emphasised Romania's important contribution to the promotion of the idea of repudiation of the 1975 resolution.

Referring further to the recent decision of the foreign ministers of the Council of Europe member countries in Brussels to recognise the independence of Croatia and Slovenia, Mr. Traian Chebeleu specified that Romania recognises the equal right of all republics in Yugoslavia to exercise their independence and that until January 15, 1992—when the two republics are recognised by the Council of Europe—means could be found to stop hostilities in that country.

The right to self-determination, the spokesman added, is recognised by Romania also in the case of the republics in the former Soviet Union. The stage of signing treaties of collaboration and friendship with various countries was also approached by the spokesman who informed that until now such treaties have been signed with France, Italy, Greece and Turkey. Almost finalised are similar treaties with Bulgaria, Czechoslovakia, Germany, the Russian Federation and Morocco, while the treaties with Hungary and Spain are being drafted.

The Romanian Foreign Affairs Ministry announces that starting December 25, 1991, in keeping with the accord concluded between the Government of Romania and the Government of the Republic of Moldova, the Romanian citizens can travel to the Republic of Moldova without passports, just with their identity cards. The spokesman of the Romanian Foreign Affairs Ministry, Ambassador Traian Chebeleu told the weekly news conference of that ministry held on Wednesday, that Romania's President Ion Iliescu sent a letter to the president of the Russian Federation Boris Yeltsin whereby he informs him about Romania's decision to recognize the state independence of Russia and voices Romania's readiness to establish diplomatic relations with it and to develop friendly links, cooperation in all areas of common interest on the basis of the principles of international law, of the provisions of the CSCE Final Act and of the Paris Charter for a new Europe.

Romania's president also renewed the invitation extended to the president of the Russian Federation to pay a visit to Bucharest, an opportunity to sign the Treaty of Friendship and Cooperation Between Romania and Russia, as well as other bilateral documents meant to impart a new dimension to the Romanian-Russian relations.

Kiraly Discusses Reasons for Leaving Senate

AU1712123991 Budapest NEPSZABADSAG in Hungarian 16 Dec 91 pp 1,3

[Interview with Karoly Kiraly, former ethnic Hungarian vice chairman of the Romanian Senate, by Bucharest correspondent Peter Mag in Sfintu Gheorghe on 14 December: "I Warned Iliescu in Vain"]

[Text] At the meeting of the Romanian Senate last week, Senate President Alexandru Birladeanu officially announced that, in accordance with the decision of the Constituent Assembly on 11 December, Karoly Kiraly, senator of the Democratic Association of Hungarians in

Romania [UDMR], representing Kovaszna County, lost his mandate because he did not participate in the vote on the new Romanian Constitution. Karoly Kiraly answered our questions in Sfintu Gheorghe on 14 December.

[Mag] What is your opinion about this statement, and how did you react to the loss of your rights as senator?

[Kiraly] First of all, let us call things by their proper name: This is a deprivation of civil rights, rather than a loss of rights. Besides, as a private person, I accepted this verdict without special tragedy. Thank you, I am well, and I can finally rest after 18 years of political harassment, threats, and endless extortions during the Ceausescu-dictatorship, and my public political activity full of tension, troubles, and problems in the two years that have passed since the change on 22 December 1989.

However, both as a politician active in public life and as a simple citizen, I regard this case as a drama characteristic of the prevailing political situation in Romania. To make it clear why I regard the loss of my senatorial mandate as an alarming thing, I must start from the premise that, if the aforementioned Constituent Assembly—which has, in the meantime, been dissolved—had been consistent with the interpretation of the decision used against me, a decision that is unconstitutional, the approximately 5 million Romanian citizens who expressed their position about the new Constitution by refusing to participate in the recent referendum would have to be punished with similar methods used in the party-state times. If we look at the logic of this totalitarian decision, which violates not only my senatorial rights but also my basic human rights, according to the old Bolshevik logic, at least 5 million Romanian citizens would have to be deprived of their citizenship today, or should be punished in other ways reminiscent of the totalitarian regime, for example, by depriving them of a passport, sugar rations, or fuel rations. What kind of parliamentary and constitutional state is it in which a senator, who is also the vice chairman of the Senate, is deprived of his legal rights, precisely because he used the same rights to refrain from the vote and thus express his opinion and position about the nationalist principles and practice used in the course of the formulation of the new constitution?

[Mag] Have you been officially informed about this decision?

[Kiraly] I was informed neither in writing nor orally. Moreover, contrary to the rules, I was not even invited to the Senate meeting that made this decision.

[Mag] What are your plans after all this?

[Kiraly] I shall wait until I receive the official decision, and then I will immediately turn to the Legal Committee of the European Parliament. Let me avoid any misunderstanding: I will do this in order to inform them about the gross violation of my parliamentary rights, in addition to the violation of my basic human rights, and not in order to take personal revenge—to also let them know there in Strasbourg about the type of pluralist and constitutional democracy that is currently emerging in Romania.

The president of the republic himself openly criticized and politically blamed the Hungarians of Transylvania and more than 1 million other voters who voted against the new Constitution at the recent referendum.

[Mag] Perhaps Karoly Kiraly will now be on the same platform as Petre Roman, who has now openly turned against Iliescu with anticommunist slogans.

[Kiraly] God forbid! If I take any joint platform, then I will do it with the National Peasant Party and all the democratic forces in Romania that are struggling for the creation of a true pluralist, constitutional, state and real democracy, and against the survival of a new form of party-state dictatorship. Besides, the current spectacular Iliescu-Roman rivalry does not have a principled character at all: It is simply a power struggle. I have the satisfaction of being the one who warned Iliescu last year of Petre Roman's dictatorial inclinations.

[Mag] What are your future plans?

[Kiraly] I am still considering whether to run in the next elections or not. For the time being, I am active as an honorary chairman of the Hungarian Smallholders' Party in Romania. In accordance with my possibilities, I want to help in creating a Transylvanian credit bank for the financial support of private farmers and small entrepreneurs in villages. We must accept all forms of public activity in order to improve the fate of Hungarians in Transylvania, including political activity, interest protection, the creation of a school network that also includes a university, economic policy and ventures.

UDMR's Domokos Views Nationalism, Ethnic Issues

AU1812114291 Bucharest ROMANIA LIBERA in Romanian 12 Dec 91 p 5

[Interview with Geza Domokos, president of the Democratic Association of Hungarians in Romania, by Gilda Lazar; place and date not given: "UDMR—Together Toward Democracy"]

[Text] [Lazar] I would like to ask you to explain briefly the double—ethnic and political—character of the Democratic Union of Hungarians in Romania [UDMR] as well as one of its principles, namely the principle of "local autonomy" in the program of this group.

[Domokos] We, those who initiated the establishment of the UDMR, knew from the very first that ethnic representation, the efforts to regain the rights confiscated by the dictatorship, and the efforts to open up new prospects in approaching these issues, cannot be achieved without profound structural changes in Romanian society, without a state of law, and without that type of interethnic relations that are part of the democratic framework and of the European practice in this respect. We, the Hungarians living here, are Romanian citizens,

and we have an awareness of our identity that has been linked to Transylvania for the past 1,000 years. Therefore, it is natural for us to also consider ourselves responsible for what is happening in this country, not only for what is happening to us Hungarians but to Romanians and other ethnic minorities as well.

That is why we have embarked with complete awareness on the activity aimed at changing the situation for the better in Romania, and that is why we assumed general political tasks. We have made considerable efforts to make the Hungarian minority understand the need for this attitude, under conditions in which the citizens who form the majority have been and continue to be misinformed and manipulated. As far as the issue of autonomy is concerned, throughout Europe and in each democratic society, this issue of decentralization and of the release of local energies is topical. One cannot conceive of a genuine democracy without making it possible for local communities to administer themselves freely, in accordance with their own potential and interest. Within this context, while talking about minorities, the idea of cultural autonomy, for example, or an autonomous educational system within the legal framework are issues that should certainly be discussed within a general framework.

The issue of territorial autonomy is different. On this issue, we have discussions and controversial talks within the UDMR. This is an issue that needs to be studied and examined. I believe that there is nothing wrong with it if the press and certain scientific forums discuss these issues during certain debates, lectures, and symposiums held on the issue of ethnic minorities and bring up political, economic, cultural, and last but not least, legal arguments. The UDMR program includes the necessary clarifications in this respect. I know that the Romanian public opinion is concerned about the possible danger posed by the emergence of a territorial enclave right in the center of the country. However, various political groups, mostly those that claim to be cultural organizations, speculate on this concern, which I understand very well; their actions are aimed at permanently entertaining a sentiment of fear, uncertainty, and distrust as far as we, the Hungarians, are concerned.

Likewise, it is very clear for me that we need a clear attitude in this respect. It is necessary for us to be aware of the fact that, without Romanians and without their consent, and outside a legal framework, there is no chance for success. Improvisations and demagogy give rise to difficulties and tension, and our wisdom and the good Lord should protect us from their possible very tragic effects. And here I could quote President Iliescu's words: Who do you think the nationalistic agitation will serve?

It serves only those who have become professional misinformers and who, in fact, should not be involved in politics. Because, so far, on the great issues regarding the future, the economy, and social life they have had very little to say. Everything is connected with this thesis, that unfortunately is being repeated in an obsessive way, and which is quite deeply infused into people's awareness. This slogan of: "Pay attention to Hungarians, Transylvania, and the Hungarian terrorism" has become a program and is their political capital, as well as an instrument that we must admit is very effective. For certain people, this is the basis for their existence, and this ensures them a role and an opportunity to assert themselves.

[Lazar] What relations does the UDMR have with the Romania Mare Party and the Vatra Romaneasca?

[Domokos] Such relations do not exist; there are only concerns in this respect. This is a great problem and a terrible national danger for the very existence of the UDMR. We try, where necessary, to explain the true side of issues while, on other occasions, we reject accusations that are directed against us and certainly draw the putlic's attention to the completely artificial situation in which we find ourselves. I do not want to say that, among Hungarians, there are no people who have the same type of behavior and way of thinking, that is, extremist ways. We are aware of these facts and try to limit such manifestations or, in any event, to see to it that they do not have a decisive influence or leave their mark on our operation.

[Lazar] Do you not think that one of the origins of all conflicts of an ethnic nature—many of them prefabricated—is Roessler's [German historian who supported the theory that the Romanian nation was formed exclusively south of the Danube and migrated to the north] migration theory and that the education system should be based on the historical truth?

[Domokos] We should detach ourselves from history a little. Certainly, history means continuity, a source of inspiration and trust. However, I am convinced that one should know history, first of all, in order to avoid the mistakes of the past. I am all in favor of historical truth that assists self-adjustment, corrections, and maintaining a critical spirit. I would like to quote the great Hungarian poet Gyula Illyes who says: "It does not matter so much where you come from, as where you are heading." Therefore, the issue of ethnogenesis today, in a world open to so many influences, is to a great extent weakening. One should rid oneself of the vanity so typical of the last century when nation states were established. Let us calm down and look at things more carefully.

[Lazar] What relations does the UDMR have with the Hungarian diaspora, especially the diaspora in Canada and the United States?

[Domokos] In the last century, for various reasons, economic, social, and political, an impressive number of hundreds of thousands Hungarians emigrated from Transylvania. Some of them were assimilated, others

have maintained their cultural identity. Among their organizations, there are many with a humanitarian, religious, and cultural character, while others have quite a strong political orientation. Among the latter, there are some democratic and liberal organizations, and there are others that are somehow still blocked in the past. It is true that there are enough organizations that include irredentists and convinced ultranationalists. There are such manifestations in the diaspora of all nationalities. This is not something specific to the Hungarians. It would be better to ask the organizations of the Hungarian diaspora to reconsider their strategy.

As long as the Hungarians here did not have any political representation, it was understandable that those organizations assumed responsibilities in raising problems, informing the public, and putting pressure on the government of their country in order to draw attention to problems; however now, I believe that, first of all, one should capitalize on the cultural, economic, and humanitarian assistance and the training of certain experts by offering them scholarship; they should refrain from making politics, which is not always effective, and should pass to something much more concrete in connection with the future, because this would also be beneficial for Romania.

[Lazar] Do you sense a communist side to extremism today? What is the UDMR's position toward this ideology and toward the issue of having the communist parties banned?

[Domokos] Yes. History has clearly proved that communism, by its actions of trying to forcefully and mercilessly form and introduce certain cliches in society, economy, moral behavior, and justice has been a failure mostly because it resorted to mass terror in order to achieve its goals. There is a great danger, and we have openly supported the prospects of having communist groups banned. We believe that we live in a certain historical period and a certain phase of democracy. At the moment, the communist organization, which has been so greatly compromised and proved so guilty of the tragedy of this people and of the problems we are facing today—and last, but not least, guilty of the current ethnic tension—no longer has the right to function. Afterwards, we will see how the future looks and how mentalities, democratic structures, and institutions develop. There are communist parties in the world, however. In our case, starting from a specific situation, a specific attitude is required.

[Lazar] In what framework will you participate in the next elections?

[Domokos] For the time being, we agree that alliances and electoral coalitions should be set up on a local plane. For the general elections it is still too early to discuss this issue; we will see what the experience of the local elections bring about and how the relations within the Convention for the Establishment of Democracy are going to develop. As far as I am concerned, I can tell you now that I will not run in elections anymore.

Roman Says He Will Not Run for Presidency

AU1912103091 Bucharest ROMPRES in English 0902 GMT 19 Dec 91

[Text] Bucharest, ROMPRES, 19/12/1991—"I have never thought, nor do I now, to run for Romania's presidency," stated Petre Roman in a brief interview with Radio Bucharest, last night, after a meeting with representatives of the National Salvation Front [FSN] parliamentary groups.

He also announced that the FSN Steering Board would meet on December 20 to call a national convention of the party.

Rumors about Petre Roman's possible candidacy in the future presidential elections have been circulated in connection with the conflict that has lately become public between Ion Iliescu and Petre Roman, both founders of the National Salvation Front.

Bank Director Reports 1991 Trade Deficit

AU1912122691 Bucharest ROMPRES in English 1013 GMT 19 Dec 91

[Text] Bucharest ROMPRES, 19/12/1991—Romania's National Bank financed this year a foreign deficit of about 1.081 billion dollars, Mugur Isarescu, the governor of Romania's National Bank, told a Wednesday, December 18 news briefing.

This deficit resulted from the deficit of the foreign trade balance estimated at 1.4 billion dollars. Mr. Isarescu mentioned that in December 1990 Romania's hard currency reserves counted 300 million dollars, as against due payments of 700 million dollars, 300 million of which only for petroleum. The situation was improved by IMF credits of 770 million dollars, by long-term credits of 200 million dollars, guaranteed by Western governments, out of which only 65 million have been used so far, and by short-term credits of about 500 million dollars. The governor also added that, the deficit in rubles was also reduced from 1.2 billion rubles to about 500 million rubles.

This big deficit of the foreign trade balance of Romania was due, mentioned Mr. Isarescu, to the inner imbalance between the production growth, production consumption and private consumption, the collapse of COMECON, that has had a negative chain effect for Romania, to the loss of a few important markets and to the Gulf crisis, that blocked about two billion dollars.

'Serious Power Shortage' in Bucharest Reported

AU1912104491 Bucharest ROMPRES in English 0914 GMT 19 Dec 91

[Excerpts] Bucharest, ROMPRES, 19/12/1991—The Wednesday, 18 December sitting of the Romanian Government was opened by Premier Theodor Stolojan's address dedicated to the memory of the revolution heroes in Timisoara, the first that rose against the dictatorship, and to all heroes and martyrs of the Romanian revolution. The cabinet members then kept a moment's silence.

The government heard a report by the ministry of energy on the measures taken to ensure the energy resources for industrial and private consumption. Secretary of State Dumitru Popescu, of the Ministry of Industries, explained, among other things, that the supply of power to industrial consumers was close to normal, but signalled difficulties in the natural gas network.

Bucharest city mayor general, Doru Pana, who also attended, described the serious power shortage threatening the capital owing to deficient fuel oil supplies. He specified that the power programme for November, far from aiming at improving the citizens' standard of living, was attempting at forestalling the beginning of a disaster, which could have endangered the whole national power grid.

Beyond the objective causes of this situation, such as a belated opening of credits for gas imports from the former Soviet Union and for crude oil from Iran, Prime Minister Stolojan underlined the necessity for ensuring a functional circuit until January-February 1992 at the latest, apt to permit a normal rate of solid fuel deliveries to private consumers. [passage omitted]

Relative to local elections, due for 9 February, the government debated financial measures for the central and local bodies of state administration, and decided that such expenses be borne by local budgets and by the Government's General Secretariat. The funds thus made available can be complemented, if necessary, with government-apportioned budget funds approved with the 1992 budget. [passage omitted].

International

Defense Ministry Rejects USSR Arms Supply Claim

LD1912143391 Belgrade TANJUG in English 1336 GMT 19 Dec 91

[Text] Belgrade, Dec 19 (TANJUG)—The Yugoslav Federal Defense Secretariat today rejected the accusations of Croatian Prime Minister Franjo Greguric that the USSR is delivering arms to the Yugoslav People's Army (JNA).

A statement released by the defense secretariat's information service says that the accusations presented by Greguric on the account of the JNA [Yugolsav People's Army] and the Yugoslav Republic of Serbia are aimed at "diverting the attention of the world public from his own attempts to get various types of armament for the needs of the armed formations of his republic," a republic which has unilaterally seceded from Yugoslavia.

Croatian Prime Minister Greguric has stated in an interview to the Soviet LITERATURNAYA GAZETA that the USSR continues to deliver arms to Yugoslavia, including helicopters and missiles, indirectly, via Romania and other countries. Greguric's statement was refuted by the Soviet Foreign Ministry in the latest issue of LITERATURNAYA GAZETA.

The Yugoslav Defense Secretariat statement qualifies Croatian Prime Minister Greguric's allegation as completely groundless and not true to the facts. It stresses that the USSR has neither directly nor indirectly delivered any weapons to the JNA since the introduction of the embargo on arms deliveries, not even the weapons which the JNA had sent to the Soviet Union for overhauling before the introduction of the embargo.

The Yugoslav Defense Secretariat sets out in the statement that Croatia is trying to flout the U.N. Security Council resolution on the embargo on arms deliveries.

It sets out in illustration that the Croatian Defense Ministry tried in November this year to purchase abroad 300 T-72 tanks, 50,000 pistols, 30,000 automatic and semi-automatic rifles, antiarmoured and antiaircraft missiles, antiaircraft guns, 105-mm and 155-mm howitzers, 20,000 helmets, infra-red binoculars, communications systems, and other munitions.

The statement also lists several attempts at illegal arms deliveries to Croatia in the last month.

It says that one of the latest such cases was the attempt made on December 7 to fly 11 tonnes of armament to Croatia from Budapest Airport. The shipment, marked as "sanitary material," had arrived from Chile. The statement also mentions the delivery of four 203-mm howitzers to Croatia from Germany in early December.

The Yugoslav Defense Secretariat statement says that representatives of the Czechoslovak firm Trading Spol visited the Croatian capital of Zagreb on December 8 to negotiate deliveries of various types of weapons to Croatia, including aircraft.

The statement specifies that the funds for the particular deal have been secured in Germany.

Federal

Kostic Says EC Decision 'Inflames' Crisis

LD1812195391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1855 GMT 18 Dec 91

[Text] Gornji Milanovac, 18 Dec (TANJUG)—Instead of helping us, the latest decision of the EC only inflames the Yugoslav crisis, Jugoslav Kostic, a member of the SFRY Presidency (Vojvodina's representative), assessed this evening in talks with citizens of Gornji Milanovac.

The European Twelve have revealed themselves to be extremely biased and unobjective, so it remains for the serious situation in Yugoslavia to be resolved at the highest level of the world—in the United Nations, Kostic added.

According to Kostic, the consequences of the latest decision of the European Twelve could be unforeseeable. Speaking about the possible independence of the present Yugoslav republics, Jugoslav Kostic said: "Slovenia may fulfill the European criteria for recognition but today's Croatia can in no way be recognized as an independent state. The government of the Republic of Croatia does not have control over the territory it lays claim to, nor is the population homogenous on this territory." In conclusion he said that "we advocate the establishment of peace, the protection of the imperilled Serbian nation and the agreed formation of a new state community comprised of those peoples wanting to live in it."

Presidency Picks Committee To Cooperate With UN

LD1812173591 Belgrade TANJUG in English 1311 GMT 18 Dec 91

[Text] Belgrade, Dec 18 (TANJUG)—Member of the Yugoslav State Presidency Dr. Borisav Jovic, as announced by the Presidency Information Office today, was appointed president of a state committee, formed yesterday at a session of the collective head of state, for cooperation with representatives of the UN regarding engagement of UN peacekeeping force.

The information office announced that the task of the state committee is to ensure, on behalf of the Presidency, necessary conditions and prerequisites for the successful engagement of UN peacekeeping force, achieve coordination of activities of federal and other competent organs and communities and cooperate with appropriate representatives of U.N. peacekeeping force.

The nine-member committee also includes, among others, Deputy Prime Minister Aleksandar Mitrovic,

Yugoslav People's Army General Andrija Raseta, Major General Slavko Jovic, Assistant Federal Interior Secretary Slobodan Sarenac.

Mile Pesut, deputy head of the Yugoslav State Presidency's office for the protection of the constitutional order, was appointed secretary of the state committee.

Presidency: EC Recognition Move 'Violation' of UN

LD1812220891 Belgrade TANJUG Domestic Service in Serbo-Croatian 2002 GMT 18 Dec 91

[Text] Belgrade, 18 Dec (TANJUG)—A session of the SFRY Presidency was held this evening in Belgrade, presided over by Vice President Dr. Branko Kostic. Also taking part in the session were Slobodan Gligorijevic, president of the SFRY Assembly; Milovan Buzadzic, president of the Constitutional Court of Yugoslavia; Stane Brovet, deputy federal secretary for national defense; Milan Veres, under secretary in the Federal Secretariat for Foreign Affairs; and Slobodan Sarenac, assistant federal secretary for internal affairs.

A public statement from the session says that the SFRY Presidency gave detailed consideration to the EC declaration of 17 December this year on the recognition of the Yugoslav republics as sovereign states. It was stated that the latest decisions of the EC Council of Ministers are a crude violation of the Charter of the UN organization, corresponding resolutions of the Security Council on the Yugoslav crisis, and other relevant acts in international law, because by interfering in the internal affairs of a sovereign state, and by stimulating one-sided and unconstitutional secession, and by attempting to liquidate Yugoslavia as a sovereign subject of international law, no contribution is made to the peaceful and democratic resolution of the Yugoslav crisis.

Since the activities of the EC are growing, not only in terms of direct interference in the internal affairs of Yugoslavia by support for secessionist republics but also in terms of the complete destruction and negation of the integrity and international legal status of Yugoslavia as a subject, the SFRY Presidency has decided to ask the UN Security Council to give urgent consideration to the situation which has arisen, assess the harmful consequences which could arise from this, and take appropriate steps to ensure the integrity and sovereignty of the SFRY as a member and founder of the UN organization.

In connection with the request of Robert Badinter, chairman of the arbitration commission of the Conference on Yugoslavia, that the SFRY Presidency present to the arbitration commission its views on the question raised by the Republic of Serbia—"Does the Serbian population of Croatia and Bosnia-Hercegovina, in view of the fact that it represents one of the constituent nations of Yugoslavia, enjoy the right to self-determination,"—the SFRY Presidency has established its viewpoint and this, along with exhaustive reasons, will be made available to the chairman of the arbitration commission.

The undoubted position which arises out of the viewpoint of the SFRY Presidency is that the Serbian nation in Croatia and Bosnia- Hercegovina, as a constituent nation of the Yugoslav community, has the right to self-determination, including also the right to secession in these republics too, it says at the end of the public statement from today's session of the SFRY Presidency.

FEC Debates Latest UN, EC Developments

LD1812214791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1830 GMT 18 Dec 91

[Text] Belgrade, 18 Dec (TANJUG)—At its session today the Federal Executive Council [FEC] examined in detail the latest developments in the debate on the Yugoslav crisis in the United Nations and the EC, a statement from the FEC Secretariat for information says.

The FEC was informed about the mission of the UN secretary general's special envoy Cyrus Vance, the report of the UN secretary general to the Security Council, and the Security Council resolution of 15 December. Commending the involvement of these international bodies of eminent officials, the FEC again stressed the importance it attaches to the arrival of UN peacekeeping forces in Yugoslavia and to the stand of the Security Council whereby "all states and parties are strongly urged to refrain from any actions which could contribute to an increase in tension, prevent the establishment of an effective cease-fire, and hamper or delay a peaceful and negotiated solution to the conflict in Yugoslavia."

The FEC considered the involvement so far of the EC and The Hague conference on Yugoslavia—whose good services had been relied on with confidence by top federal and republican factors—in seeking, together with the participation of representatives of the SFRY, comprehensive solutions to the Yugoslav crisis. The FEC commends the efforts invested and being invested in this by the countries and top officials of the EC and Lord Carrington.

In this connection the FEC recalled that this confidence was contributed to by the public undertaking of the EC of 8 November that "the possibility of recognition of the independence of republics which want it can only be considered within the framework of a comprehensive solution." Bearing this in mind, the FEC assessed that the latest stands expressed in the declarations of the EC Council of Ministers of 17 December on Yugoslavia and on the guidelines for the recognition of new states represent a divergence from these stands and undertakings. This directly affects the essential rights of Yugoslavia as an internationally legally recognized subject. These stands are contrary to the UN charter and the documents of the CSCE.

The FEC considers that there should be a return to the original principles of The Hague conference which specify, above all, the inviolability of borders and agreement on all issues, on the future community, and recognition of the continuity of the state of the SFRY until an agreement is reached. In this regard the FEC shares the opinion of the EC on the importance of UN activities and on the continuation without delay of The Hague conference, and on the importance of human rights and the rights of nations and minorities.

The FEC particularly indicates the unacceptability of the practice, in the form of principles, of stressing one-sided interests and the negative or discriminatory attitude of individual members of the EC regarding the Yugoslav republics.

Proceeding from the present situation in the country and from international circumstances, the FEC considers that it is above all essential that there is full and complete realization and observance of the undertakings of all participants in the Geneva agreement on a cease-fire and the prerequisites for it, together with avoidance of any further casualties and fresh destruction, which is a prerequisite for the constructive involvement of the international community.

The FEC considers that unilateral steps prior to a complete solution lead to a deepening of the conflict with new casualties, and the widening of the conflict to other republics and new areas. Proceeding from this and from a desire that the problems at the center of the Yugoslav crisis should be resolved by peaceful means and negotiation, the FEC expects all countries to refrain from any steps which may prejudice a negotiated complete settlement of the Yugoslav crisis. The FEC takes the same approach to internal factors in the country as well.

The FEC considers that the arrival soon of the UN peacekeeping forces would be a step which would significantly contribute to the calming of the situation in the crisis areas, the removal of fear, and the creation of security and peace as a precondition for establishing stable relations to the advantage of all, and thereby also the successful course and outcome of the Hague conference.

The FEC attaches special importance to the essential role of the United Nations in the protection of Yugoslavia as an international legal entity; this is in principle an important role of the world organization, and the basis of deserved confidence in it. This protection is an essential prerequisite for the success of the peaceful search for a comprehensive solution.

Aware of the seriousness of the problems which have arisen and which exist in the country, and convinced that in order to successfully overcome the problems in international relations it is essential above all that there should be real efforts and results within the country, the FEC considers that as well as a cease-fire, it is necessary to include the most responsible representatives of the Yugoslav republics in the joint effort to peacefully, democratically and without prejudice make a fresh attempt in the exceptionally complex situation in which the whole country, bound together by thousands of threads, has found itself, and find an approach which would make it possible to avoid catastrophic consequences, and create the preconditions for acceptable forms of coexistence in the interests of all our nations and nationalities and all people.

JNA Warns Countries on Illegal Export of Arms

LD1812183291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1511 GMT 18 Dec 91

[Excerpts] Belgrade, 18 Dec (TANJUG)—The northwestern borders of Yugoslavia are not under the control of the authorized federal organs, which makes an opportunity for certain countries to export weapons and military equipment to Croatia freely, despite the embargo implemented by the UN Security Council.

Authorized organs of the Federal Secretariat for National Defense "are monitoring the illegal import of arms into Yugoslavia and are giving a timely warning about it to the authorized organs with the view to taking adequate measures."

On the basis of the evidence, the Federal Secretariat for Foreign Affairs has lodged notes of protest with certain countries, because of their violation of the Security Council resolution banning the import of arms to Yugoslavia.

These are the answers to the questions from delegate Batric Jovanovic at the recent session of the Chamber of Republics and Provinces of the Yugoslav Assembly, which the Federal Secretariat for National Defense sent to the Federal Parliament today. [passage omitted: other responses to questions from the army]

Out of the arms which the Yugoslav People's Army [JNA] had in its possession on the territory of Croatia, between November 1990 and the end of November 1991, the Croatian armed formations have stolen or confiscated the following quantities: 3.7 percent of infantry weaponry, 19.6 percent of ground artillery pieces, 0.8 percent of anti-aircraft weapons, 4.6 percent of anti-armor artillery, 11.2 percent of armored vehicles, 4.4 percent of non- combat vehicles, 0.05 percent of radios, and 0.01 percent of other technical equipment.

Northwest Border Not Controlled by Federal Organs

LD1812220991 Belgrade TANJUG in English 1827 GMT 18 Dec 91

[Text] Belgrade, Dec 18 (TANJUG)—The Yugoslav Defence Secretariat today submitted to the federal parliament a report pointing out that Yugoslavia's northwestern borders are not controlled by the competent federal organs.

This makes it possible for some countries to deliver arms and military equipment to Croatia in spite of the embargo imposed by the United Nations Security Council, the report says.

On the basis of evidence obtained so far, the federal Foreign Secretariat has sent notes to several countries protesting over the violation of the U.N. Security Council resolution banning deliveries of arms to Yugoslavia, the report says.

The report also specifies that of the weapons in the Republic of Croatia owned by the federal Army, the Croatian armed formations robbed or seized from November 1990 until the end of last month 3.7 percent of all infantry weapons, 19.6 percent of the land artillery, 0.8 percent of the antiaircraft weapons, 4.6 percent of the antitank weapons, 11.2 percent of the combat vehicles, 4.4. percent of the noncombat vehicles, 0.05 percent of the communications equipment and 0.01 percent of the other technical equipment.

Slovenia

Peterle Says Foundations Laid for State

LD1812205591 Belgrade TANJUG in English 2005 GMT 18 Dec 91

[Text] Ljubljana, Dec 18 (TANJUG)—Slovenian Premier Lojze Peterle said today that foundations had been laid of a Slovenian state which would finally decide on its own about the economic policy it would pursue.

Speaking at a session of all three chambers of the Slovenian parliament, Peterle said that international recognition of Slovenia would enable it to take part in the European integration processes and join international financial institutions.

He also said that his government would ensure timely repayment of all foreign debts which Slovenia would take over from the Yugoslav Federation.

In talks on future economic ties between the states of former Yugoslavia, said Peterle, Slovenia will urge the setting up of a free trade zone.

Peterle added that for the first time in its history, Slovenia would have its own diplomacy and that in addition to its regular duties, the Interior Ministry had taken control over 1,234 km of border on land and 26 km of border on sea.

The Slovenian premier said that in 1992, Slovenia would also set up the minimum of its own defence system and that 60 per cent of the defence budget would be earmarked for the training of some 7,000 soldiers.

Croatia

Tudjman Comments on Talks With Carrington in Graz

LD1812165591 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 18 Dec 91

[Text] Through HINA we have just learned that, following a one-hour talk between Croatian President Franjo Tudjman and Lord Carrington, president of The Hague Conference on Yugoslavia, in Graz, President Tudjman told journalists that he can be satisfied with today's talks because the European Conference on Yugoslavia decided to recognize a nation's right to self-determination. According to this, President Tudjman added, practical proposals have been created for the recognition of republics, saying that the only remaining problem is implementation.

He stated that Croatia had no reason to be dissatisfied with the Brussels decisions because Croatia has already fulfilled all conditions for recognition. President Tudjman went on to say that their talks also focused on the possibility of sending peacekeeping forces, on whether the recognition will mean the cessation of war conflicts, on the withdrawal of the Yugoslav Army and the outlaw groups, among other topics. Tudjman stressed that they paid particular attention to the coordination level of the constitutional law on the rights of ethnic communities and minorities with the draft of The Hague conference. We assert, as do European experts, that the law is more progressive than any other law in the European democratic public, Tudjman stressed, adding that the law fully guarantees all rights envisaged by international conventions.

Asked whether there are differences between the stands of Lord Carrington and Croatia, Tudjman replied that considerable differences did not exist, and that Lord Carrington was trying to be completely neutral, in light of his position as president of the Conference on Yugoslavia. Tudjman went on to say that some differences existed between our legal order and what was envisaged by the draft for the resolution of the Yugoslav crisis, but Tudjman stressed he could not agree with that opinion.

President Tudjman further informed journalists that in the course of their talks today they spoke about the position of other republics towards the Brussels decisions.

Problems With JNA Withdrawal From Lora, Divulje

LD1812174591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1449 GMT 18 Dec 91

[Text] Split, 18 Dec (TANJUG)—After all the equipment and personnel have been transferred from Split barracks and military institutions into the Lora naval port, the Croatian side banned further army evacuation by ship from Lora and Divulje to the Montenegrin coast.

The reason for the delay is the equipment in the naval school center which Split authorities vigorously insist must be left behind. They are invoking the Zitnic agreement whose item 11 says that "the naval school center must be handed over to Croatian authorities—including all immovable property and installations stored there at the time." Having been allowed by the Army to inspect Lora, the Split authorities claim that part of the existing equipment has already been loaded on to the ships and that they were not allowed to see all the areas in Lora as a result of which further evacuation from Lora and Divulje to Montenegro was banned two nights ago.

Zvonimir Puljic, Split crisis headquarters chairman, says that a fax was sent to the naval area command last night asking that what had been taken should be returned or somehow compensated. However, since there has been no answer the ban on ships leaving Lora and Divulje has not been lifted. All this has stopped the handover of territorial defense weapons of eight Dalmatia municipalities which are mainly stored in Vlora. The Yugoslav People's Army representatives in Split have made the handover of these weapons conditional on the ships being allowed to sail.

Victory Sparks 'Turnabout' in Eastern Slavonia

LD1912090191 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 19 Dec 91

[Text] The people of Osijek and Valpovo municipalities spent last night in shelters again. An artillery attack which began early yesterday morning continued until the early hours of this morning. As of 2300 last night 21 people had been admitted to the Osijek general hospital; five of them have subsequently died.

There has been a turnabout in the situation in eastern Slavonia and Baranja. This was stated by Lieutenant-Colonel Branimir Glavas, Osijek town commander, who explained that an attempted advance by an enemy tank battalion to the Drava River near Nemetin had been thwarted by Croatian forces. The enemy was to a large extent annihilated and pushed back all the way to Kopacevo in this action. Our forces also destroyed another tank, two armored vehicles, and two trucks carrying Serbian reservists and Chetniks. Three Croatian fighters were wounded, while on the enemy's side about 30 reservists and Chetniks were killed.

The area between the Drava River and Kopacevo has been without a single enemy soldier since yesterday. Actions to liberate Baranja continue.

Paraga Released From Detention After 28 Days

LD1812181991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1748 GMT 18 Dec 91

[Text] Zagreb, 18 Dec (TANJUG)—Dobroslav Paraga, president of the Croatian Party of Rights [Hrvatska Stranka Prava], was released today after spending 28 days in detention.

The Supreme Court of Croatia has decided that the investigation into Dobroslav Paraga's case should continue while he is released on bail.

Serbia

Milosevic Reaffirms Stand on Peacekeeping Force

LD1812215291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1948 GMT 18 Dec 91

[Text] Belgrade, 18 Dec (TANJUG)—Serbian President Slobodan Milosevic received today Lord Carrington, chairman of the Conference on Yugoslavia. In frank talks concerning the political resolution of the Yugoslav crisis and the possibility of the continuation of the Conference on Yugoslavia, Lord Carrington informed President Milosevic about the results of the recent ministerial meeting of the European Twelve.

Slobodan Milosevic, as the statement from the president's office says, expressed the stand that the EC had exceeded the mandate which it had been given on the basis of the offer of good services, because the proposal for the abolition of Yugoslavia cannot be placed within the framework of good services, nor within the EC mandate for participation in the resolution of the Yugoslav crisis.

The EC declaration on Yugoslavia of 17 December 1991 violates many CSCE principles relating to the mandate which the CSCE gave the EC, as well as a number of agreements on the principles of relations between Yugoslavia and the EC on the issue of resolving the Yugoslav crisis. Milosevic recalled the undertakings made that the talks on all the aspects of Yugoslavia's future should be based on the Helsinki Final Act and Paris Charter, especially in the respect of human rights, the right on self-determination in accordance with the UN charter, and the norms of international law, including those relating to the territorial integrity of a state.

By its stand, President Milosevic assessed, the EC renounced the principles which it had itself proclaimed at the beginning—that only the Yugoslav nations can decide on their own future, including the stand on support for the integrity of the state, and the categorical stand of the Community against the secession. The offer to recognize the Yugoslav republics individually is in direct contradiction with these starting stands, as well as with the principle of the eqality of nations in making decisions on the future of the country, because it explicitly favors secession, which is, from the point of view of international law and UN charter, illegitimate and illegal.

Consequently, the republic president considers that the Conference on Yugoslavia can be succesfully continued and concluded only under the auspices of the UN and with the observance of the principles contained in the UN charter. This implies the exclusion of any violence and the imposing of will on states and nations in the

process of making decisions on their own future. Serbian President Slobodan Milosevic confirmed in the talks the positive stand of the Republic of Serbia in connection with the measures of the Security Council concerning sending the UN peacekeeping forces, the statement on the talks says.

Government Not To Submit EC Recognition Demand

AU1812164691 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 18 Dec 91

[Marinela Raznjatovic report]

[Text] The Republic of Serbia will probably not submit a demand for independence recognition to the EC. At the same time, the government will by no means renounce its obligations toward the Serbs outside the republic, and this will be discussed at the Serbian Assembly session tomorrow. This was what Budimir Kosutic, vice president of the Serbian Government, said among other things at the news conference in the Republican Government building. Here is a report by Marinela Raznjatovic:

[Raznjatovic] Only after consultations between the presidents of the Assembly and the Government of the Republic of Serbia will an official stand be issued on the fact that Serbia is probably not going to submit a demand for independence recognition, among other things because its historical statehood goes back two centuries, something that cannot be said for some EC members, Vice Premier Budimir Kosutic said.

However, the important reason is that with this demand, Serbia would accept the disintegration of Yugoslavia, which is unacceptable considering the entirety of the Serbian people. Therefore, the government has examined the text of the declaration on the Serbian people's unalienable right to decide in which country it is going to live and what kind of a country that would be. Kosutic announced that this matter will be discussed at the Serbian Assembly session tomorrow.

In reply to the question of what will happen if all republics apart from Serbia submit the demand for independence recognition, Kosutic said that he believes that the United Nations will prevent the creation of six states, something that would be very dangerous for world peace.

Government Drafts Declaration on People's Rights

LD1812205191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1903 GMT 18 Dec 91

[Text] Belgrade, 18 Dec (TANJUG)—"The Serbian people who live in Yugoslavia in their historic and ethnic territories outside the administrative borders of the Republic of Serbia voted freely and democratically in favor of living together with the Serbian nation in the Republic of Serbia and other nations which want to stay in the common state. This sovereign and inalienable right of the Serbian people, stated in the Yugoslav Constitution, the UN charter, the final act of the Helsinki conference on security and cooperation, the Paris charter for a new Europe, as well as the universal right to self-determination of nations, cannot be excluded or limited by documents of the European Community or other subjects of the international community."

This is said in a statement issued today by the government of the Republic of Serbia which proposed that the Serbian National Assembly adopt a declaration on the inalienable right of the Serbian nation.

The draft declaration, which should be adopted by the Serbian National Assembly, says:

"Accepting this freely expressed will of the Serbian people to live in a common state with the Serbian people in the Republic of Serbia, the Republic of Serbia will, on the basis of the obligation stated in this constitution, do everything within its power to realize the legitimate rights of the Serbian people to self-determination and a life of peace, freedom, and democracy.

"The Republic of Serbia recognizes any state form of territorial organization of the Serbian people which achieves their sovereign, historic, and national right and the right to form a state, set out in the Yugoslav Constitution and international agreements from the time of the formation of the Kingdom of Serbs, Croats and Slovenes up to today," the draft declaration of the government of the Republic of Serbia says.

Good Serbian-Hungarian Relations Stressed

92BA0213B Belgrade POLITIKA in Serbo-Croatian 24 Nov 91 p 3

[Article by Dr. Aleksandar Prlja: "Hungarians and Serbs"]

[Text] In this difficult time of renewed hatreds and disrupted friendships, time whose ravages are not resisted even by the friendship of Serbs with the French, relations between Hungarians and Serbs, between Serbs and Hungarians, constitute a specific and, one must admit, controversial topic. Taken all in all, we nevertheless think that these are relations whose mutual constructive content is crucial to quite a bit in this part of the world. Crucial above all to many long-term interests of Serbs and Hungarians, as much for one as the other.

That said, perhaps we should at least partially, as much as it is possible, put some of the history aside. However glad we may be to remember the example of King Leopold and his understanding for the Serbs who reached Budim under Arsenius III, there are other memories, such as those well-known darker ones, from a much nearer time and unfortunately much fresher. The last war certainly did not leave fond memories of Hungary in a large number of Vojvodina Serbs. We should

not close our eyes to that either. The wounds are there, our common history is burdened with many grave episodes and events.

From the moment when with identical interests, somewhere in the late 14th and early 15th centuries and thereafter, we fought the Turks, much water has gone down the Danube and Sava, which were awkward borders for such a long time. The Pannonian lowlands were often traveled by armed vagrants, by pretentious bullies in the dress of the nobility, and by many others. It thundered. Rarely was there any singing.

That is precisely why today it is worth paying particular attention to what is not so unpleasant in these times of historical disagreements and conflicts. The author of these lines quite recently, in Budimpest and Belgrade, had a role and occasion to witness discussion in a rather pacific way about how in Hungary, that Hungary which came to power under the bright colors of renewed nationalism and ambitions, there are very moderate proponents of lasting relations with Serbia. Some of the statements of Hungary's highest officials even today cannot be taken in Serbia other than as unnecessary provocation and overemphasis. It is still worthwhile to note that Jeszenszky, the foreign minister, has on several occasions already asserted, as a man whose specialty is history, that the conflicts and disagreements between Serbs and Hungarians in the past are in these times not a stimulating example for either side. Not, that is, for the Hungarians either. In advance of the recent visit of our minister, Jovanovic, to Budimpest, a report again came from Hungary that there is a desire to return Serb-Hungarian relations to the level that was achieved before this unfortunate and dangerous affair with weapons in the war now taking place in Yugoslavia.

In other words, it could be felt here that the assessment even on the Hungarian side was that relations were on the upgrade before the secret delivery of murderous weapons over the Hungarian border with Croatia, that this was in the long-term interest of Serbia, but of Hungary as well. Minister Jeszenszky in fact said so directly on several occasions and before his own public. The author of these lines was in fact involved in a meeting with Hungarian journalists not so long ago when emphasis was put on various components of Serb-Hungarian relations that were much more pleasant. On several occasions, President Milosevic was invited to pay an official visit, this was even done in writing and not always in the face of unanimity of all factors in Hungary and its neighborhood. We have had occasion, in fact even personally from President Goncz, to hear words that are not ordinary courtesy by any means, and we believe that they were not diplomatic hypocrisy either.

The immediate occasion for these lines is yesterday's statement by Erno Rifan, secretary in the Hungarian Defense Ministry. Erno Rifan, who, on the testimony of newspaper reporters, has in the past not been exactly flattering in his statements about Yugoslavia, said the day before yesterday in Pest that resolving the crisis in Yugoslavia is above all its internal affairs. "This is in the interest of our minority in Vojvodina and also in the interest of the need for us to live in peace with the Serbian people. All of this requires of us that we not take steps that have not been thought through," this high-level military and political representative of the Hungarian Government said.

Those words have a pleasant ring in our ears. On various occasions, I myself have stressed to Minister Jeszenszky the importance which Hungary, and not just Serbia, could derive from stable relations of two peoples which have not allowed germanization or ottomanization. But professional historians understand that best. "Down through history, we have not been quick enough to understand the Serbs or understood them well enough," Minister Jeszenszky said on one occasion. "Now is the time for us all to realize that and correct it."

Speaking frankly, a policy which by aggravation would inevitably lead to a change in the climate which today surrounds Hungarians in Serbia cannot be to the liking of Hungary. That climate is well-known. The occasional provocative statements about alleged discrimination are in vain. It would be senseless to conduct a policy in such a way as to change this almost exemplary climate.

The openness of the borders is another equally important topic the two countries have in common. Even those Hungarian officials who have the most friendly disposition are ready to say that they "understand" the interest of Serbia, whose road to Europe runs over the Hungarian border. Serbia does not conceal or dispute this. It is a feature of provincial and traditional Balkan policies for everything to come down to the principle of establishing "who is most interested in what": Hungary in Serbia or Serbia in Hungary? That is senseless.

What is not senseless and what has altogether real prospects is the truth that it suits Hungary to have an open road to the south, across the border with Serbia, including here railroads, watercourses, highways, and all the rest. Indeed, even broader economic interests in the more distant future.

Let us understand one another. It is clear to Serbia, just as it is to Hungary, that there are certain international and other inclinations and endeavors to turn Budimpest toward the nearer and all but organic cooperation with Zagreb and the other "northwest parts" of Yugoslavia. The historic ties in this case are, of course, different. Religious and other traditional linkages are well-known in this case, and they are quite legitimate, although the Serbs have not always had pleasant historical experiences with them. It is natural, then, that Hungary should also have an eye in that direction.

What we advocate and what, we are convinced, has real interest and support in all domains of Serb-Hungarian relations is precisely what Erno Rifan, state secretary in the Hungarian Defense Ministry, said yesterday. It is not just some cotedian detail which barely needs to be recorded. This is an expression of a long-term interest

that can have far-reaching and favorable influence on this entire region of ours, which is so permeated with and exposed to troubles.

'New Deal' Proposed for Economic Survival

92BA0222A Belgrade POLITIKA in Serbo-Croatian 28-30 Nov 91 p 9

[Article by Aleksandra Mijalkovic: "Serbian 'New Deal' for Economic Survival; What Awaits Us After the War"]

[Text] Already, war damages in Yugoslavia amount to more than $10 billion. By the end of the war, the standard of living will fall below half of what it was in 1988. Serbia will turn to development plans based on its own resources. Modernization of the railroads in step with neighbors.

The struggle for survival, and not obstinacy towards Europe, is still keeping Serbian businessmen alive. Despite the ravages of war, the economic blockades inside and outside Yugoslavia, the sidetracking of all previous economic reforms and "reforms," and a whole pile of other obstacles, local enterprises are stubbornly struggling not only to survive, but also to develop.

In so doing, they are expecting and receiving little help from the state; on the contrary, the state seems to be offering more stumbling blocks than encouragement. Given the heavy baggage of insolvency, enormous interest rates, a dearth of foreign exchange, melted-away accumulation, and lately the loss of important domestic and foreign partners, can the Serbian economy still dream of the European and world market, of free competition, and a future of high profits?

Businessmen in Exposed Position

Depending on whether or not the scenario for the disintegration of Yugoslavia will be peaceful, the well-known economist Zoran Popov, a professor in the Economics Faculty in Novi Sad, predicts that the social product in Serbia (and thus the standard of living of the population) over the next several years will drop off by one-third (first variant) and even by as much as 60 percent if the newly emerged states are mutually antagonistic, whereby that part of the market cannot be counted on, neither for the purchase nor for the disposal of goods. In his estimation, war damages in Yugoslavia already amount to $10 billion, and by the end of the war the standard of living will fall below half of what it was in 1988.

But according to Prof. Slobodan Komazec (Institute of Economic Sciences in Belgrade), businessmen have found themselves in an exposed position, with little opportunity anytime soon to implement their development programs, introduce stockholding, and join the capital markets and free competition (which right now is completely out of the question, Komazec says, because while foreign companies are self-financing, ours are paying interest of as high as 40 percent monthly!).

Still, all of these gloomy, and unfortunately completely justified prognoses do not mean that the Serbian economy and its leadership will completely give up on the plans that until recently were being discussed with so much ambition. There is less ambition today, hopes are more modest, but the development policy is not being abandoned; priorities are simply being assessed more realistically and defined more clearly.

Into the Future—At European Speed

Momir Pavlicevic, a member of the Presidency of the Economic Chamber of Serbia, talked with POLITIKA about several development priorities.

"Our railroads probably fall short of European standards and of our own needs. The program popularly called the 'fast track' should make it possible to transport goods by railroad at a European speed of 120 km an hour, and passengers at a speed of 160 km an hour. Activities should not be set in motion in the previously beloved 'cycles,' but rather in continuity, along primary railroad routes (Subotica to Nis, and then towards the Bulgarian border and Macedonia). It is also important to electrify the Kraljevo-Pristina track, and to improve railroad connections with Bosnia (for the transport of ore, coal, and raw materials)," says Pavlicevic, adding that this program is all the more important because it allows for a reorientation towards our own energy potential and better exploitation of electric energy.

Subway—From Talk to Reality

Linked to this is also the construction of an underground railroad in Belgrade, the subway that for decades has been nothing more than talk, but that is indispensable for any city with more than a million inhabitants, Pavlicevic said. Work on the subway, and probably on the equally important connection of Serbia to the gas pipeline from the USSR to Bulgaria, Greece, and Turkey, could be entrusted to specialists from the USSR, who would in thus way repay part of the Soviet debt to our country. Naturally, hooking up to the Romanian and Hungarian oil pipeline is also of critical importance, Pavlicevic says.

"It is very favorable that all the development plans are based primarily on our own resources, mechanization, equipment, and people. This also relates to the anticipated construction of a second lane for the Belgrade-Subotica highway and a southwestern bypass around the capital. Part of the road to Nis is already being worked on, and it will continue on towards Bulgaria. A highway to Montenegro is also being envisioned," Pavlicevic says.

These activities, including the buildup of the high-voltage remote electrical network, with alternative routes, fit in with similar activities in neighboring countries (Hungary has already moved way ahead in modernizing its railroads, and Bulgaria and Greece have done the same in highway construction), Pavlicevic says.

"We expect state support for all the priorities, and with some of them we are also counting on international loans. These are not major investments, but rather primarily the best effects of highly realistic investments, which will help both Serbia and the Serbian economy, and mitigate the unfavorable consequences of the liquidation of the worst enterprises, especially the rise in unemployment. Included in all these plans, especially when they involve replacing production with other areas, is private business, which will also receive tax breaks for this.

"The future depicted in this way, of investment plans for the Serbia economy, most resembles the American 'New Deal,' but I think that under the present-day circumstances this is the most exemplary scenario," Momir Pavlicevic concludes.

Bosnia-Hercegovina

Presidency Members Deem Recognition 'Unacceptable'

LD1812173991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1418 GMT 18 Dec 91

[Text] Sarajevo, 18 Dec (TANJUG)—Professor Nikola Koljevic and Professor Biljana Plavsic, members of the Bosnia-Hercegovina Presidency from the ranks of the Serbian nation, said in a statement today that they "consider as unacceptable for Bosnia-Hercegovina the latest call, which had overtones of an ultimatum, for the formation of new states within the existing and sovereign Yugoslavia." Under the current Constitution, the Socialist Republic of Bosnia- Hercegovina is part of the SFRY while members of the Bosnia-Hercegovina Presidency have, by their formal oath, made the pledge to respect that particular constitutional provision. At a referendum on 9-10 November, the Serbian population voted in favor of remaining in the common state of Yugoslavia together with all others who wish to do so. Plavsic and Koljevic note that at the Bosnia-Hercegovina Presidency session of 13 December new procedure rules were adopted which stipulate that "in the case of issues concerning national equality of the nations and nationalities in Bosnia-Hercegovina and which are to be formulated by a new constitution of Bosnia-Hercegovina, the Presidency will pass decisions by a consensus." According to Plavsic and Koljevic, the issue of the state's character is one which belongs to the sphere of consensus-based decisionmaking. "Neither under the existing Constitution nor the draft future constitution can Bosnia-Hercegovina pull out of Yugoslavia without the consent of the Serbian people. In our view, any attempt to seek recognition for Bosnia-Hercegovina would further exacerbate the republic's crisis which stands the chance of being resolved in a peaceful manner only at the coming conference of the three equal national communities," Biljana Plavsic and Nikola Koljevic, members of the Socialist Republic of Bosnia-Hercegovina Presidency, say in their statement.

SDA Deputies To Propose Request for Recognition

AU1812171591 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 18 Dec 91

[Ljubomir Nikolic report]

[Text] The Party of Democratic Action [SDA] sees the declaration on Yugoslavia that was adopted in Brussels as an acceptable foundation for the resolution of our crisis. As a sovereign and democratic state, Bosnia-Hercegovina will be more able to be a participant on an equal footing in the talks on creating new associations and communities in this region and to guarantee and develop the human rights and legitimate ethnic interests of all its citizens and peoples, as well as special links between Serbs and Croats and their mother republics. This is said in today's statement by the SDA.

At a regular news conference, the party's secretary, Irfan Ajanovic, said that this party's deputies will request an emergency session of the republican Assembly and propose that the EC be sent a demand to recognize this republic. In reply to a question on the opposing view of the SDS [Serbian Democratic Party] and the Assembly of the Serbian people, Ajanovic said that the decision would be made with a democratic majority and added that Europe recognizes only this way of making decisions.

Ajanovic thinks that Bosnia-Hercegovina fulfills all the conditions for its recognition, adding that the EC had informally offered this republic the status of an associate member.

Irfan Ajanovic said today that the SDA's manifesto had been literally copied in Brussels and that Europe had thus offered the last chance to Yugoslav republics to come to an agreement and enter European integration processes together.

Sulejman Ugljanin told journalists that the Muslim National Council of the Sandzak will submit a request to the EC for it to recognize this part of Serbia. Ugljanin stressed that Europe considers us a region and not a republic.

The SDA statement expresses the belief that the military structures in Bosnia-Hercegovina will be resolutely on the side of the constitutional and legal institutions of this republic and that it will reject any instruments for achieving unilateral political aims.

Regarding the announced interparty negotiations in Bosnia-Hercegovina, Irfan Ajanovic said that they had not begun but that this was a matter of days. In the meantime, we have unofficially learned that talks are actually under way between Alija Izetbegovic and Radovan Karadzic [SDS president] and Momcilo Krajisnik [president of the Assembly of the Serbian people in Bosnia- Hercegovina].

Deputies of the Assembly of the Serbian people in Bosnia-Hercegovina will meet on Saturday [21 December] and they are expected to take a stand on the Brussels declaration and inform the EC of this.

Western Slavonia Issues Statement on Emigration

LD1812172591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1327 GMT 18 Dec 91

[Text] Banja Luka, 18 Dec (TANJUG)—"Failure of the Yugoslav People's Army [JNA] to provide adequate support, destructive activity by certain forces and parties, and the desire to save their own skins are the reasons for the emigration of the people and of territorial defense men from most of the SAO [Serbian Autonomous Region] Western Slavonija area in the direction of Bosnia".

This has been stressed in today's statement issued following the session yesterday of the SAO Western Slavonija government which stresses that "the people and the fighting men are unanimous in their desire to go back to their abodes, fight for their freedom and go on with their life in the homes which have been theirs for centuries".

The statement says that at the beginning of November, after the emigration of Serbian settlements from the Grubisno Polje area, the representatives of the SAO Western Slavonija received a firm promise from the SFRY representatives, the Republic of Serbia, and the JNA that they will do all they can to provide help for the people and fighting men in Western Slavonija. "However, time went on and the promised aid and support were not forthcoming, especially not from the JNA, as agreed," stresses the statement.

The SAO government makes the assessment that the feeling among the people and the fighting men that they have been abandoned and tricked was intensified by assorted emissaries who were trotting out stories about "the promised land," ill-judged statements by individual public men about Serbian areas in Western Slavonija failing to list most of the Serbian ethnic area. The most disappointing effect was produced by the traitorous policy of the representatives of the SPO [Serbian Renaissance Movement] who encouraged defeatism and desertion, is the stance presented by the SAO Western Slavonija government.

The statement goes on to say that severe attacks had been made recently on the Western Slavonija area which the territorial defense men were unable to withstand. " The unselfish support by the JNA Banja Luka Corps was not adequate enough to provide appropriate protection for our people," says the statement.

The SAO government stresses that "on their entry into the area so far controlled by territorial defense units the Ustasha forces destroyed the property and brutally murdered members of the Serbian nation who had not left their homes as well as citizens of Croatian nationality because of their loyal behavior and correct attitude toward and cooperation with the representatives of the SAO Western Slavonija authorities."

Reaction to Founding of Autonomous Regions Cited

92BA0209B Sarajevo OSLOBODJENJE in Serbo-Croatian 20 Nov 91 p 3

[Article by N. Zujd: "Formulation of the Interests of the Croat People"]

[Text] Mostar, 19 Nov—Although systematic assessments are still awaited, yesterday's formation of the Croatian Community of Opcinas of Herceg-Bosnia in Grude has already met with its first reactions. Mate Boban, president of the newly constituted community, explained in an interview today with OSLOBODJENJE what guided its founders in deciding on this step, which, it is quite certain, will stir up already heated passions in the republic.

At a time when Bosnia-Hercegovina is being eaten away, and the greatest contribution to that is being made by the Serbian people and its leadership, the Croatian people has the right to express its interests and commitments, appealing to its own existence as an independent entity. This is not a response to the plebiscite of the Serbian people, but the course of a policy which has been articulated by the Croatian Democratic Community [HDZ]. The Croatian Community of Herceg-Bosnia constitutes a geopolitical, cultural, and economic whole and dates back to the former banovinas within whose borders the Croat people lived until World War II. So long as there exists a legal, legitimate, and democratic government of B-H, our community will fully respect this republic, but if its authority is trimmed back, if it ceases to exist, there will be no alternative for us.

We do not accept any Yugoslavia, neither former nor future, because it has been a prison for the Croat people for all of seven decades, Boban explained.

In answer to the question of how borders are conceived, should they come about, Boban answered that he could not say anything more definitely as yet, adding that in all respects "the most important thing is to maintain peace." He also explained that Mostar was chosen as the seat of the community because this city represents the "cultural, geopolitical, and economic center of the Croat people in this part of the republic, which it in fact confirmed in the last election by obtaining a majority in the government of that city."

Because there have been no official statements of position as yet, it is still not altogether clear whether the opcina committee of the HDZ in Mostar took a favorable view of yesterday's formation of the Croatian Community of Opcinas of Herceg-Bosnia. Certain leaders of this party, expressing their first reactions and admitting that they themselves were surprised, feel, however, that

this move contradicts the fundamental options of the HDZ, which favors an independent and sovereign B-H and up to now has been opposing ethnic divisions and a rounding out of opcinas within B-H on that principle.

Today, we have also heard the opinion of Ilija Rodic, chairman of the opcina committee of the SDS [Serbian Democratic Party] in Mostar, who says that yesterday's decision in Grude is not a surprise at all.

"They were working on that even before, and I think that our plebiscite in favor of Yugoslavia had absolutely no importance as a possible pretext for that. I am afraid that everything that is happening is leading toward explosion, but the Serbian people is not contributing to that. It only is in favor of Yugoslavia," Rodic said.

Other official reactions are expected from the parties here, above all the SDA [Democratic Action Party], whose competent spokesmen in Mostar were away.

Details on Established Croatian Autonomous Regions

92BA0209A Sarajevo OSLOBODJENJE in Serbo-Croatian 20 Nov 91 p 3

[Article by D. Kozar: "Self-Organization of the Sava Valley and Herceg-Bosnia"]

[Text] The "Croatian Community of the Bosnian Sava Valley" was established in Bosnia-Hercegovina on 12 November, and the "Croatian Community of Herceg-Bosnia" was established on 18 November. These acts, it was stated yesterday in the regular press conference of the HDZ [Croatian Democratic Community] of Bosnia-Hercegovina, represent the self-organization of the Croat people in Bosnia-Hercegovina, a specific answer to the formation of the Serbian autonomous oblasts.

Regions as a Warning

Speaking about establishment of the "Croatian opcina communities" in Bosnia-Hercegovina, Stjepan Kljuic, president of the HDZ of Bosnia-Hercegovina, said:

"The establishment of these communities of Croatian opcinas on the territory of Bosnia and Hercegovina has the significance of a warning, and this is still not yet in the phase of execution. This is a sign of belonging to Bosnia and Hercegovina, within the framework of its sovereignty. These opcina communities will respect the democratically elected government of Bosnia-Hercegovina so long as Bosnia and Hercegovina are independent of the former or any future Yugoslavia. We will also abide by all decisions made by the Bosnia-Hercegovina Assembly and the Presidency of the Socialist Republic of Bosnia-Hercegovina."

According to the documents on establishment of the communities of Croatian opcinas in Bosnia-Hercegovina, which were distributed yesterday to newsmen, the "Croatian Community of the Bosnian Sava Valley" will consist of eight opcinas: Bosanski Brod, Odzak, Modrica, Orasje, Derventa, Bosanski Samac, Gradacac, and Brcko, while the "Croatian Community of Herceg-Bosnia" will contain 30 opcinas: Jajce, Kresevo, Busovaca, Vitez, Novi Travnik, Travnik, Kiseljak, Fojnica, Skender-Vakuf (Dobrotici), Kakanj, Vares, Kotor-Varos, Tomislavgrad, Livno, Kupres, Bugojno, Gornji Vakuf, Prozor, Konjic, Jablanica, Posusje, Mostar, Siroki Brijeg, Grude, Ljubuski, Citluk, Capljina, Neum, Stolac, and Trebinja (Ravno).

These opcina communities, according to the decisions establishing them, are political, cultural, economic, and territorial entities. The seat of the "Croatian Community of the Bosnian Sava Valley" is in Bosanski Brod, and the seat of the "Croatian Community of Herceg-Bosnia" is in Mostar. The purpose of these communities, the documents establishing them state, is the "fight for democracy, peace, and respect for historical, ethnic, and cultural rights and legal methods."

No Truncated Solutions

Stjepan Kljuic said that the Croatian Democratic Community of Bosnia-Hercegovina does not accept the way in which the truncated SFRY Presidency and the incomplete Yugoslav Assembly want to recall Ante Markovic, chairman of the FEC [Federal Executive Council]. He said that there are only two republics—Serbia and Montenegro—behind that demand, which is being made public by Branko Kostic, and that this cannot be legitimate. Kljuic went on to say: "We in Bosnia and Hercegovina adopted a decision still earlier not to recognize any decision of the four-member SFRY Presidency nor of the truncated bodies of the former Federal Assembly and the former federal state. We anticipate that the outcome of the events in the Hague and measures taken by the international community will result in a settlement that will also cover the main problem. No new prime minister can be chosen who will get his mandate from Kostic."

As for the arrival of forces of the United Nations in Yugoslavia, Kljuic said that the HDZ of Bosnia-Hercegovina welcomes this and that the soldiers in the blue helmets should be deployed on the borders of Croatia, Bosnia-Hercegovina, Serbia, and Montenegro. He said that the army of the United Nations should guarantee peace in those areas until final resolution of the Yugoslav crisis, but a final cease-fire is a precondition for all of that.

In Kljuic's opinion, "a cease-fire does not suit those who are embarked on a campaign of conquest in Croatia, but I can say that the Republic of Croatia does not want war, that it can no longer withstand that war, especially since certain cities have been destroyed, and some are completely surrounded."

"It is obvious," Kljuic remarked, "that the army wants to take up the most favorable possible positions before the ensuing negotiations. Anyone with some familiarity with military tactics can see that."

The War Is Putting a Stop to Foreign Capital

Asked how much the Croatian Democratic Community of Bosnia-Hercegovina has achieved in the past year, since the election, and whether the campaign plans have been carried out, Stjepan Kljuic said that he cannot be satisfied with what has been accomplished, and he went on: "It has been difficult to carry out the new policy with the old apparatus, and we still have not freed ourselves of what the old system left for us. But on the other hand, the military conflicts have prevented implementation of the economic program, and foreign partners have been unable to invest in projects in Bosnia-Hercegovina. Finally, how is one to carry out a program when Bosnia-Hercegovina is blocked off and occupied by the JNA [Yugoslav People's Army]?"

Miro Lasic believes that the partnership of the ethnic parties in Bosnia-Hercegovina still has not experienced a complete collapse and that it is just a question of misunderstandings, and that the government of Bosnia-Hercegovina, in spite of everything, is nevertheless operating. Lasic also was critical of the polltakers from the School of Political Sciences who should have put that question—Are they satisfied with the new government?—only to those who voted for the ethnic parties in November 1990.

Lasic informed the newsmen that he had learned from one refugee that on Monday a Chetnik formation had carried out a massacre of 18 inhabitants of the village Kijev Do near Trebinje. All those slaughtered were of Croat nationality. He issued an appeal that military and civilian authorities join together in conducting the investigation and issue a public report on it.

Against Declarations of War

As for the declaration of Gojko Susak, Croatian minister of national defense, to the effect that the military conflicts will soon carry over into western Hercegovina, Jerko Doko, his counterpart in Bosnia-Hercegovina, expressed his reaction yesterday. He said that he could not go into various statements, nor did he want to comment on that of Susak, but he could say that he is against all threats of war, because nothing is achieved by it, and accordingly, he said, "putting emphasis on war is not acceptable regardless of what side it comes from." Responding to the request that he comment on this statement of Susak's in LE MONDE, Doko asked: "Why did they not ask for a comment from Miodrag Simovic, deputy prime minister of Bosnia-Hercegovina, concerning certain statements by Dr. Budimir Kosutic, Serbian deputy prime minister, on the program 'Club 1991,' broadcast over TV Sarajevo?"

Ivan Markesic, M.A., secretary of the HDZ of Bosnia-Hercegovina, told the newsmen that Stjepan Kljuic would begin an official visit to Austria on 20 November and while there, together with Resad Bektic, Bosnia-Hercegovina minister for the economy, he would conduct talks on economic cooperation and familiarize his host with the situation in Bosnia-Hercegovina.

Commission Investigating Illegal Transport of Arms

92BA0209C Zagreb VJESNIK in Serbo-Croatian 26 Nov 91 p 8

[Article by Mladen Mirosavljevic: "Explosive 'Bananas and Pineapples' via Bosnia"]

[Text] Sarajevo—We still do not know what will happen to the four trucks belonging to "Rumijatrans," which were carrying a total of 75 tons of arms without the appropriate papers. The trucks are now located along with their trailers at the facility of the MUP [Ministry of Internal Affairs] of Bosnia-Hercegovina on Butmir near Sarajevo, and an ad hoc commission is investigating the entire case.

Trucks Full of Weapons

On the afternoon of the 21st of this month, personnel of the public safety station of Stari Grad Opcina in Sarajevo, in their regular check of the traffic on the city bypass, stopped a truck of "Rumijatrans" of Bar and ascertained on that occasion that it was carrying weapons without any sort of escort and without authentic papers. This vehicle was first pulled over to the side, and then after a conversation with representatives of military authorities it was agreed that it would continue with its load toward Kalinovik. However, the next morning police in Stari Grad Opcina stopped another such vehicle on the city bypass with the same load, and then two more trucks with trailers also the property of "Rumijatrans" of Bar. They were carrying the same type of weapons, also without notification, escort, or authentic papers. The personnel of the public safety station in Stari Grad Opcina declared that they were only enforcing regulations and that they had quite firm evidence, that is, statements by the drivers, and the papers which they found on them. It was irrefutably established that they had not complied with the provisions of the Law on Traffic Safety; however, an altogether different version has come from the command of the Sarajevo Corps.

"Flagrant Falsehoods About Bananas"

The press release of the Sarajevo Corps refers to the "flagrant falsehoods and lies which have been presented to the public by the competent authorities of the MUP of Bosnia-Hercegovina, to the effect that the vehicles were traveling without proper documentation and particularly the false assertion that the travel documents stated that they were carrying bananas." The Sarajevo Corps acknowledges the indisputable mistake committed in the course of the trip, which, because they were carrying hazardous materials classified as "B" substances, they should have been escorted by the military police or the MUP.

After the meeting of the commission formed to study what the truth is concerning the weapons shipment, Muhamed Cengic, deputy prime minister, said that the

commission is seeking additions to the report, because the one offered was incomplete, nor did it shed light on all the points in dispute. According to Cengic, it is most likely that this case will be taken up by the Council for National Defense of Bosnia-Hercegovina. Military convoys full of armament which are traveling not only through Bosnia-Hercegovina in general, but even through Sarajevo, and the almost daily bursts of gunfire in Sarajevo, especially at night, are no longer anything new, nor do they surprise anyone. Judging by the immense quantities of arms being carried without the appropriate escort and papers, it is obvious that the Army is not respecting any regulations whatsoever, nor is it issuing valid explanations as to the origin and destination of these shipments, obviously behaving like the supreme authority in the republic.

Four Tanks in Two Trucks

This most recent case, in which, some say, there were as many as 100 tons of missiles in the "Rumijatrans" trucks, confirms that those who insist that Bosnia-Hercegovina should be immediately demilitarized are right. It has also been learned that on Saturday evening two tractor-trailer trucks of "Centrotrans" carrying four tanks were stopped on the Sarajevo bypass. The drivers stated that their destination was Hadzici near Sarajevo, and they took the tanks to the destination escorted by personnel of the Stari Grad Public Safety Station, but the military police did not come, although they were called. All of this gave wings to the rumors and supposition as to the origin of the mysterious arms shipments passing through Bosnia-Hercegovina without any kind of escort or appropriate papers, and their destination is mainly in those areas where the Serbs live in Bosnia-Hercegovina. As for the origin, the well-known "Bar shipment" is usually mentioned. The reference is to seven ships and 13,000 tons of diverse arms which reached the port of Bar under Maltese flags and have been held up there, and to this day the real truth is not known about what kind of shipment that was and for whom it was intended. Petrasin Kasanica, director of the port of Bar, said two weeks ago that none of the cargo had been taken away. Judging by the shipments passing through Bosnia-Hercegovina, that is hard to believe. For now, we have to wait to see what the ad hoc commission will say about it all.

Republic 'Bypassed' by Economic Sanctions

92BA0245A Sarajevo OSLOBODJENJE in Serbo-Croatian 8 Dec 91 p 2

[Article by I. Selaj: "Living on Straw"]

[Text] The economy of Bosnia-Hercegovina has been bypassed by the European Community's sanctions, but not by the general blockade that has driven many firms to their knees. In such a situation, how much, and how, is it possible to make use of a spared republic's chances?

The economy of Bosnia-Hercegovina has been forced to the wall. Fortunately, it has been bypassed by direct sanctions by the powerful European Community, but on the other hand, the internal ones, which are no less fatal to an exhausted economic organism, have already been in force for a long time. Admittedly, the Presidency of Bosnia-Hercegovina and the government have taken and are still taking quite practical steps to lift the blockade of transportation routes and other economic flows, but the effects are slow in coming. As for the results of the lack of a law-governed state, of the general business uncertainty, and of the various blockades that are in effect, those results are already so grim that they could not be any grimmer.

The balance from the operation of the economy of Bosnia-Hercegovina for the first 10 months of this year are best illustrated by the fact that industrial production has shown a 24.5-percent decline. In the third quarter, its decline was 30 percent in comparison with the same months last year, which was also a bad year; and in October, industrial production showed a decline of 5.9 percent in comparison with the preceding month. Of a total of 34 sectors, only two achieved an increase in production: the production of livestock fodder, by 9.8 percent, and the electrical industry, by 3.1 percent. Most industrial sectors this year have shown a decline of about 50 percent.

The economy this year is both producing less, and with more difficulty, and it has a hard time in delivering to anyone what it does make. The extent to which Bosnia-Hercegovina has been punished and blockaded, even without the merciless measures of the European Twelve, is indicated by the example of the textile industry, which was supposed to export $750 million in goods this year. In the first nine months, the textile producers managed to supply foreign customers with goods valued at only $487 million, but in return for this, achieved a loss of $230 million, once again under the influence of adversities imported "from the domestic political and war scene." This is a loss that occurred solely as a result of internal blockades. On the whole, republic exports were reduced by 6.2 percent, and imports even by 17.5 percent, with a tendency toward a further decline by the end of the year.

Instead of production and exports, the problems are growing, along with mutual debts, general insolvency, and social tensions. At the end of October, 1,624 enterprises faced blocked current accounts amounting to 10,940 million dinars. In practice, this means that the fate of 327,344 workers is also completely uncertain. In this kind of situation, the fact that expenditures grew two index points faster than total earnings—which means in practice that the little profit that the economy had went into someone else's pockets—really sounds comical. According to data from the Bosnia-Hercegovina SDK [Public Auditing Service], expenditures for general, joint, and other consumption show a growth of 32 percent, while a third of the workers in the economy are

at the guaranteed personal income level, and another third have not received anything for three months now.

In this somber economic balance, there have never before been so many declines and problems, which are already being reluctantly discussed, not only by the deputies in the Bosnia-Hercegovina parliament, but also by businessmen. Incapable of doing anything concrete themselves, they are appealing and begging for peace, as the basic precondition for saving whatever can be saved. The uncontrolled growth of prices and inflation, which has already exceeded the rate of 80 percent, are themselves becoming hard-press to absorb the general chaos and financial disorder, in which Bosnia-Hercegovina could very easily fail. In such a situation, the question arises of how successfully we will even be able and know how to make use of the fact that the EC sanctions have "bypassed" us.

Montenegro

Ban on Serbian Food Exports Concerns Public

92BA0246B Belgrade VREME in Serbo-Croatian
9 Dec 91 pp 31-32

[Article by Velizar Brajovic: "Call To Smuggle Eggs"]

[Text] The decree banning the sale of agricultural products outside of Serbia disturbed the Montenegrin public: Some are convinced that Montenegro cannot hold out even two days without Serbian milk, and others, however, believe that this is a punishment for Bulatovic's speech in The Hague. The only thing certain is that, as usual, the people will pay.

The shock of the EC sanctions had not even passed when Montenegrin businessmen already experienced another one. They were told again, "Now milk Cetalj." Specifically, they were informed by their partners in Serbia that all of their orders from that republic were blocked, and that none of the arrangements that had been concluded would be fulfilled.

Furthermore, the Montenegrin partners received a photocopy of the Serbian Republic's SLUZBENI GLASNIK No. 70, page 2,900, dated 17 November 1991, which published the "Decree Banning the Sale of Certain Products," which went into effect the day after its publication, and which was signed on behalf of the Serbian government by Vice President Slobodan Prohaska. "Legal and physical persons," according to Article 1 of the decree, "with their headquarters or residence on the territory of the Republic of Serbia (henceforth: seller) cannot sell to legal and physical persons with their headquarters or residence on the territory of other republics the agricultural products determined in the 'list of products' that is an integral part of this decree (henceforth: products). The sale of a product, as understood in Paragraph 1 of this article, includes: the sale, exchange, giving as a gift, and all other forms of possession or changes in ownership, as well as carrying products out of the territory of the Republic."

For the "reluctant," the decree provides for fines for legal persons from 300,000 to 450,000 dinars, and from 15,000 to 25,000 dinars for the responsible person. A working person who sells products in contravention of the decree will be fined 20,000 to 25,000 dinars, and a physical person will be fined 8,000 to 10,000 dinars. The very clear and rigorous articles in this decree also include ones that talk about how, in addition to the above measures for violations, confiscation will also be ordered for "objects that have been used or were intended for committing a violation, or which appeared through the commission of a violation," even in cases "in which they are not the property of the perpetrator of the violation or are not in the possession of the perpetrator of the violation." Implementation of the decree, as it is stipulated, will be controlled by "organs of the market, sanitary, veterinary, and agricultural inspectorates and internal affairs authorities," and if trade is carried out "through a foreign customs area, control of the implementation of this decree is also carried out by customs authorities."

Stop for Cream

Disputes will be decided by the minister of trade and tourism, with the concurrence of the minister of agriculture, forestry, and water economy, especially in the event of making a decision on an exemption from the "ban on the sale of a certain amount of a product, if it is felt that that sale will not infringe upon the economic and other interests of the Republic." The list of goods included grain, industrial plants, livestock fodder, livestock, poultry and eggs, milk, wood, other products (forest products, etc.), sugar, edible oil, alcoholic beverages, mineral water, fish, meat, and tobacco.

All of this has caused a chaos on which there is still official silence in Montenegro. Appeals by representatives of some firms to inform the public of this officially have remained unanswered. Stories have been told about how two tubs of cream were taken away from a woman on a train, and there is horror at the thought of what can happen to a person for trying to do something that until now has been quite normal and without any consequences. Thus, a Montenegrin son-in-law telephoned his father-in-law in Svetozarevo to say that he would not come for the pig which the latter has been giving him every year, because he was not ready to risk harassment, confiscation, and punishment.

Customers are lamenting about how wonderful things were until now: "We preferred to buy pork in the marketplace instead of from Hungary, even though it was several times cheaper. We acted fraternally, and those who are dividing us now will not fare well." People have also been talking about how there is no chance that any trucks from Serbia will get across Macedonia, and they do not even try to go to other areas, but they can still get through Montenegro. They have been hit hardest by

the official silence about this, and even harder hit have been merchants and salesmen from work organizations and representations whose business has been simply frozen.

The Montenegrin prime minister, according to his chief of staff, was very busy, and suggested that curiosity be satisfied at one of the ministries, but the workload was a sore point there. Finally, Nebojsa Zekovic, the minister of trade and tourism, spoke out on Montenegrin television, and informed the public about the concern of the business world and the rest of it because of the sudden freezing of the trade in goods between the two fraternal republics. The minister gave assurances that transportation had started, and that verbal and written communication between the two governments had intensified after the adoption of the notorious decree, and that after all of this, verbal and then written notification had arrived from the Serbian government that "Montenegro would have a special status in all this, and that there should not be any problems."

Bar or Thessaloniki

This journalist is convinced that that special status is not anything special, since merchants have received answers to the effect that one should address requests for purchasing goods to the appropriate ministries, and then wait and wait; all of this means chaos in commodity trade. In their opinion, everything would be solved as soon as the above-mentioned two republics became one, and this, apparently, is also the main reason for the adoption of the decree; thus, economic reasons, not political ones, are behind it.

The Montenegrin public is upset. Some people think that Montenegro cannot even hold out for two days without milk and other food from Serbia, that Bulatovic's statement in The Hague is responsible for everything, and that that kind of policy is leading Montenegro to disaster; others, however, think that what is happening is the realization of a concept that was worked out a long time ago—that Montenegro is quarreling with everything and everyone, and that after the European blockade, it also has to accept a Serbian blockade. They say that Serbia's decision abruptly to pick Thessaloniki instead of Bar as its outlet to the sea is not a coincidence. Petrasin Kasalica, the director of the Bar port, has complained about the appearance of disinformation in the media about how the port is overworked and the Belgrade-Bar railroad is overloaded. Those reports were published when it was learned that goods from Serbia were traveling through the Thessaloniki port.

President Momir Bulatovic rejects any possibility that this was caused by the disagreement between the Serbian and Montenegrin leaderships after The Hague: "This was not sponsored by the Serbian leadership," he said, "but was instead caused by a commission system that is quite developed in the Western world, and in this case, it belongs to the individual who contracts for work on behalf of an enterprise." It is superfluous to elaborate on whether President Bulatovic meant by this that economic employees in Thessaloniki are selling their souls to get something that they cannot get in Bar, even to the detriment of their own republic.

Momir Bulatovic's statement during his visit to the United States is part of the Serbian-Montenegrin puzzle. He said that he was "caught by surprise" by the decision by the EC Council of Ministers on sanctions against Serbia and Montenegro. Bulatovic said that "there is not a single valid argument in favor of those measures," and added that Montengro was criticized primarily because of reservists' participation in the JNA [Yugoslav People's Army]. "It is clear that the current peace process is not based in Montenegro, but that the signers of the truce are different—the JNA, Croatia, and Serbia," he said. It is hard to say whether President Bulatovic, upon returning to Yugoslavia, will announce that he was misinterpreted by journalists, as Prime Minister Milo Djukanovic did after a press conference in Italy.

The public cannot understand everything that is happening, or perceive what is going on over the hill. It is clear that nothing is the product of chance: neither Montenegro's international activity, nor Belgrade's threats. The only thing certain is that both Serbia and Montenegro are in a blockaded inn that it will not be simple to get out of. Decrees like the one on 17 November expose even further the senselessness of the policy that has brought the people to where they are.

Macedonia

People 'Favorably Assess' Brussels Declaration

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[Text] People in Macedonia favorably assess the Brussels declaration on Yugoslavia and think that Macedonia fulfills all conditions in order to become an internationally-recognized state. However, news from Athens talks of the expressed demand of Greece that Macedonia change its name and fulfill some other conditions if it wants to be recognized. Here is Boris Djordjioski with a report:

[Begin Djordjioski recording] The reactions of officials and the press in Macedonia after the adoption of the EC's Brussels declaration on Yugoslavia have one common characteristic. It can be described as unconcealed satisfaction with the development of events, which to a great extent suits Macedonia.

Kiro Gligorov: The declaration is a good foundation for the recognition of independence. Vasil Tupurkovski [Macedonian representative to the SFRY Presidency]: The declaration is a historical chance for Macedonia. Nikola Kljusev, Macedonian prime minister: Macedonia and Slovenia have the best chances to be internationally recognized states because they fulfill to the greatest extent the European criteria.

However, according to news that is coming from Athens, Greece, a member of the EC, it obviously does not think so and interprets the declaration as a great success for Greek diplomacy because the Twelve will not recognize the present Skopje state if it does not change its name, if it does not guarantee in its constitution that it does not have any territorial pretensions toward Greece, and if it does not stop its propaganda against Greece.

It is said that Macedonia is a geographical term for the northern Greek province and therefore the Skopje republic has to change its name because otherwise it is expressing territorial aspirations regarding Greece. This means that it cannot be recognized because it does not fulfill the conditions of the Brussels declaration, which say that the new Yugoslav states cannot use names that imply territorial pretensions.

When it comes to ethnic minorities, Greece is asking for not just the existence but also the rights of 200,000 Greek Vlahs in present-day Macedonia to be recognized.

This issue will definitely be given importance by the official view that was reiterated yesterday by the Albanian PDP [Party for Democratic Prosperity] and the NDP [People's Democratic Party], which think that the Albanians in Macedonia have been deprived of almost all their ethnic rights.

The session of the Assembly of Macedonia on the Brussels declaration has been scheduled for tomorrow. [end recording]

Split in VMRO-DPMNE Leadership Described

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[Article by Saso Ordanoski: "Conflict on the Right"]

[Text] Dragan Bogdanovski, the honorary president of VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party of Macedonian National Unity], has unexpectedly acknowledged the pro-Bulgarian orientation of the party's leadership and of Ljupco Georgievski himself. The scandal has gone sky-high.

What exploded in Macedonia last week like a real media bomb, but also a political one, was a letter sent by Dragan Bogdanovski, the honorary president of VMRO-DPMNE, to NOVA MAKEDONIJA; the letter was published in two installments under the titles "Is VMRO-DPMNE Sailing Into Bulgarian Waters?" and "Why I Parted Ways With Ljupco Georgievski." In this letter, Bogdanovski, after having visited the Macedonian diaspora in the United States and Canada along with Georgievski, announced his final political and party breakup with the actual president of the "most Macedonian" party. In short, Bogdanovski is accusing Georgievski of Bulgarophilism, and of close ties with certain pronounced pro-Bulgarian "elements," whose activity has been clearly inspired and financed by anti-Macedonian Bulgarian policy and its secret police services.

Trip to America

Specifically, Bogdanovski claims that Georgievski, throughout the entire time of his visit to America and Canada, was voluntarily "in the hands" of the pro-Bulgarian and Vrhovist MPO [Macedonian Patriotic Organization], whose only goal is to prove that Macedonians are Bulgarians; an organization whose strength, "rejected by the Macedonian emigres, depends solely upon the support that it receives from Sofia" [a "Vrhovist" is someone who supports the ideology of the Vrhovni Makedonski Komitet (Supreme Macedonian Committee), a group that supported the annexation of Macedonia by Bulgaria at the end of the 19th century as a means of liberating it]. Bogdanovski writes, "Although Ljupco Georgievski was officially invited by the VMRO-DPMNE Section in Toronto, which also paid for the plane tickets for him and his wife, when he arrived in Toronto, he fled from the members of his party, and, in the company of the Bulgarophile Stojco Naumov, got into the car of Ljuben Hristov from Detroit, a well-known member of the MPO and the president of the St. Paul Bulgarian-Macedonian Church in Detroit, and left for the United States. From 1 to 11 November, when he returned to Toronto, Ljupco Georgievski was exclusively the guest of the pro-Bulgarian Vrhovist organization, which paid all the expenses for him and his wife, as well as the expensive costs of organizing dinners and cocktail receptions for representatives of American political life and the news media. All of the meetings that Georgievski had with American elements were organized by the Bulgarian lobby in the United States. Even his English interpreter was from the MPO." Georgievski also delivered an inspired speech at a meeting of the MPO Central Committee. He did not have time to visit members of his own main party.

Admittedly, rumors about this activity by Georgievski across the border reached Macedonia even before the letter sent by Bogdanovski. It was even said that Georgievski, because of the "statesman-like activities" described above, had been physically attacked by Macedonians there. About 10 days ago, NOVA MAKEDONIJA also published a letter from a Macedonian organization in Toronto, which similarly described the overseas visit by the president of VRMO-DPMNE. Recently a video cassette has also been circulating around Sofia with pictures of public meetings there at which Georgievski was among Macedonians and at which an explosive atmosphere prevailed, bordering upon an incident, precisely because of Georgievski's unconvincing attempt to explain the reasons for his Bulgarophile behavior.

Nevertheless, even in spite of this, the political disavowal that Bogdanovski arranged for him has a special "specific" political significance.

Enemy Number Three

Although VMRO-DPMNE was founded under circumstances that are still completely unclear—as befits a revolutionary organization, after all—it is certain that Dragan Bogdanovski was its principal inspirer and founder, in March 1990 in Sweden. After several conspiratorial meetings at various locations in Munich, Berlin, Skopje, and who knows where else in Europe and the world, VRMO-DPMNE was also established in Macedonia in June 1990. The very figure of Bogdanovski and his political activity are extremely controversial, but it is assumed that as a political emigre, he worked for three or four counterintelligence services around Europe and the world (extensive polemics have been conducted in Macedonian newspapers over this), and that, allegedly, at one time he was number three on the list of Yugoslav state enemies—after Milovan Djilas and Vlado Dapcevic. It is known that the KOS [counterintelligence service] kidnapped him from Paris, and that he spent about 10 years in Skopje prisons because of his political activity and his VMRO ideas. After this, since he—again, allegedly—"admitted everything," he was released, and left Yugoslavia with a passport in his hands. Naturally, there are assumptions that the KOS first recruited him, through its proven methods. Whatever happened, Bogdanovski continued his VMRO activity among Macedonian emigres throughout the world, with contradictory facts about destructive compromising activities—and finally, healthy and whole, saw the day when a real VMRO party would be legally founded in Macedonia. A political emigre's dream had been fulfilled. Naturally, upon his return to his homeland he was received in triumph, as a victim of the Communist regime because of the Macedonian national cause to which he was devoted. Nevertheless, precisely because of his controversial personal political "career," and probably in order to avoid discrediting the VMRO party initiative in Macedonia from the very beginning, he only "reached" the post of the honorary president of VMRO-DPMNE.

Election of the President

Before that, however, he succeeded in having Ljupco Georgievski "installed" as the president of that party, after certain disagreements with people aspiring to that same position in the party's Skopje headquarters itself. To some extent, this was for understandable reasons: Georgievski was young, intelligent, educated, and an eloquent speaker with leadership ambitions, and—perhaps the most important thing—without the compromising "blots" in his career that have always been associated with the idea of the VMRO during its lengthy history of all sorts of factions and complicated (governmental and paragovernmental) infiltrations. Naturally, it was assumed that because of his political inexperience, Ljupco Georgievski would be easily subject to control and guidance from his elder "fellow soldiers," headed by Bogdanovski. It turned out—after this definitive party-political split—that the "youth" had learned the political trade faster than Bogdanovski had hoped.

Speculations, and later even assertions, that the present VMRO-DPMNE was in "contact" with an ideological center in Sofia spread in Macedonia soon after the elections. Frequent symptoms of such activity by this party—to which the Macedonian political scene is extremely sensitive—could be noted on the basis of an analysis of statements, interviews, political moves, and a certain general ideological concept on the part of several people in the party's leadership, as well as Georgievski himself personally. The VMRO leadership and Georgievski justified this by the need to change the attitude of "nervous" Macedonian policy with respect to Bulgaria and its policy, so that Macedonia could finally start to conduct "constructive" intergovernmental relations with its southern neighbor. Attempts were made in vain to point out to the VMRO leadership that Bulgaria, in this respect, had not retreated one iota from its well-known position of not recognizing the Macedonian nation. Georgievski and his sympathizers usually characterized these attempts as a "communist conspiracy" against VMRO-DPMNE, "anti-Macedonianism," "Yugoslavism," "Serbophilism," and so forth. More courageous analysts, however, even claimed that the ultimate goal of VMRO's political platform was to have Macedonia secede from Yugoslavia, but not establish itself as a state in doing so, so that it would be easier prey for Bulgarian territorial and national aspirations, in which case certain parts of Macedonia would even be ceded to Albania and Serbia. Such intentions could be recognized in Georgievski's arguments against the referendum in Macedonia, in the obstruction of the process of adopting the new Macedonian constitution (it was precisely this period, which was extremely important politically, that Georgievski himself chose for his above-mentioned "tour" through Canada and the United States, and several of the party's top leaders, as deputies, even voted against the adoption of the constitution), and in attempts to destroy Macedonia's state leadership, headed by Gligorov (with characterizations of "anti-Macedonian activity," etc.). Finally, even on the occasion of his recent explanation of his resignation before the parliament (on 5 December), in the position of vice president of the president of the Republic, Georgievski, in a speech lasting for an hour and a half, did not miss the opportunity to describe virtually everything that the Macedonian state had undertaken in domestic and foreign policy in the darkest possible tones, with numerous serious accusations against Kiro Gligorov.

General Party Overhaul

It is precisely for this reason that Bogdanovski's current accusations against his former protege and close colleague have enormous political significance. Bogdanovski himself admits that "because of VMRO-DPMNE's explicitly anti-Yugoslav nature, from the very day of its founding it became a refuge for Bulgarophile elements, especially former political prisoners, who were convicted at one time as adherents of Vanco Mihajlov's Vrhovist VMRO." "I was aware of this," Bogdanovski continues, "but since the main battle in the Republic had

to be conducted against the Yugoslav states, I felt that even Bulgarophile fanatics would be useful for the destruction of Yugoslavia.... I thought that the pro-Bulgarian Vrhovists could be used in the struggle against the pro-Serbian Vrhovists—Vanco Mihajlov's supporters against Lazar Kolisevski's." But obviously things went too far with Bulgarophilism in VMRO-DPMNE, even in Bogdanovski's opinion.

Naturally, one must always be cautious about Bogdanovski—the political autonomy of his political activity cannot be predicted. One can expect that in the next few days VMRO-DPMNE will also spread some sort of speculations about those who have inspired this political "salto mortale" of his. The division within the VMRO leadership itself, however, as well as among its membership and sympathizers, is obvious. There are more and more sincere VMRO members, following the original principles of the VMRO ideology, especially among the republic deputies, who are not willing to continue blindly trusting their charismatic leader.

In the next few days, many questions will also be raised at the scheduled meeting of the party's Central Committee (on 7 December), and it will not be a complete surprise if it soon proves absolutely necessary for VMRO to convene a party congress in order to clarify things (and to clarify control of the party). It appears that a general party overhaul is unavoidable.